THE Freeman

IDEAS ON LIBERTY

JUNE 1962

Let the People Own the Airwaves	Melvin D. Barger	3
Are Consumers Boobs?	Henry Hazlitt	16
The Wool Over Our Eyes	John C. Sparks	18
Regulation of American Business	John E. Swearingen	22
Academic Freedom	Leonard E. Read	28
No Day of Reckoning	H. P. B. Jenkins	35
I Like Butter	Jess Raley	36
Two Views of Mankind	Paul L. Poirot	41
Individual Liberty in the Crucible of History 2. Undermining the Foundations	Clarence B. Carson	42
What Price Parking?	E. W. Dykes	52
Book Reviews:		
"Problems of Democracy"	John Chamberlain	59
Other Books		62

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ELEMENTS OF LIBERTARIAN LEADERSHIP

By LEONARD E. READ

CONTENTS

1. Faith and Freedom
2. Consistency Requires a Premise
3. Booby Traps
4. Why Do We Lose Liberty?
5. Emergence of a Leadership
6. Humility and Leadership
7. Integrity and Leadership
8. The Methods of Leadership
9. The Manners of Leadership
10. Aids to Leadership
11. Three Levels of Leadership
12. Can Busy People Become Libertarian Leaders?
13. Liberated

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THE Freeman

JUNE 1962 Vol. 12, No. 6

LEONARD E. READ *President,* Foundation for Economic Education

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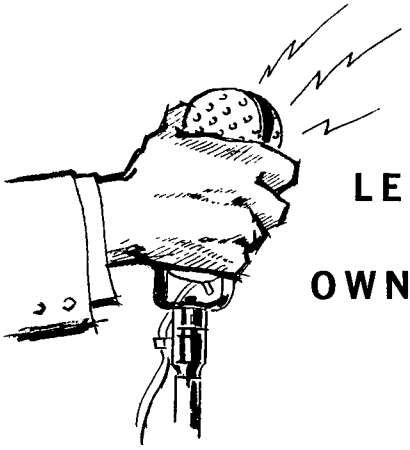

LET THE *People* OWN THE AIRWAVES

MELVIN D. BARGER

"I urge you to put the people's airwaves to the service of the people and the cause of freedom. You must help prepare a generation for great decisions. You must help a great nation fulfill its future. Do this, and I pledge you our help."

NEWTON F. MINOW, Chairman of the Federal Communications Commission, in closing his memorable "vast wasteland" speech before the annual convention of the National Association of Broadcasters in Washington, D. C., May 9, 1961.

THERE COMES A TIME in every man's life when his curiosity gets the better of his laziness. Whether or not he really wants to, he feels compelled to find out certain things for himself. The answers are often both rewarding and surprising, and it's good to do one's own searching.

For personal reasons, I heartily recommend this business of letting curiosity get out of hand. It eventually caused me to look into the "why" and "when" and "what" of federal control of the broadcasting industry. Starting with the idea that our chief concern should be to protect freedom of speech at all costs, I've become convinced that this freedom has been threatened or curtailed by the FCC in the past, and is under heavy fire today. I now suspect that the role of the FCC and the rights of speech and expression granted in the First Amendment are almost "mutually exclusive" things – you can have either one, but not both together. I have concluded that if either free speech

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or the FCC ought to be curtailed, thoughtful men should cast their vote in favor of curtailing the powers of the FCC.

I had been mildly curious for years about what seemed to be an odd contradiction. Why wasn't the *broadcasting industry* – first radio, and then television – fully entitled to the same freedom traditionally secured by the Constitution for newspapers? Why had we talked so grandly about freedom of speech and expression, and yet imposed a government agency such as the Federal Communications Commission upon the broadcasting industry? Of course, I had no *real* proof that some kind of censorship went on. But over the years I developed a suspicion that a tight, restrictive federal control of the industry did exist.

Still, I was too lazy to look into the matter for myself and to learn how this had happened in a country that has always treasured free speech. I tried to find the answers the easy way in casual conversations with radio announcers and station owners whom I knew. It turned out that many of them had been just as lazy as I. The most frequent answer I got was that "complete freedom of expression is a great thing for newspapers and street-corner orators, but in broadcasting the government has to control the airwaves because of the limited number of frequencies." Intimidated by this hint of mysterious technical problems, I dropped the subject. I remained lazy – and ignorant.

No Ringing Rebuttal

Yet, things kept happening to keep me from forgetting the subject altogether. In a national magazine with wide distribution, my wife and I read an article by the TV critic, John Crosby, in which he recommended what seemed to be a virtual government take-over of the television industry (to cure its ills).[1] I read the complete "vast wasteland" speech of Newton F. Minow – the one that has brought this whole issue into sharp focus as never before – and waited for somebody to rise up and make a ringing rebuttal on the grounds that Minow was openly threatening free speech. If a ringing rebuttal came, I missed it, but later on I did read newspaper editorials *agreeing* with Minow's objectives and a four-part series in *The Saturday Evening Post* by John Bartlow Martin in which, like Crosby, he summarized by calling for more of the heavy hand of government.[2]

[1] John Crosby, "What You Can Do To Make Poor TV Better," *Ladies' Home Journal*, November, 1960, p. 74.

[2] John Bartlow Martin, "Television USA: Wasteland or Wonderland," *The Saturday Evening Post*, 4-part series in weekly installments beginning October 21, 1961, p. 19.

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Clearly, the television industry was getting some rough treatment from people who should have been its allies. In times past, newspapers have risen up like one man to parry any attempts to censor even the most dubious phases of publishing, such as smut books, horror "comic" books, subversive literature, and other ghastly extremes. The principle has been that any attack on one part of publishing can set a precedent for eventual control of its other parts. This principle has even compelled editors to defend the rights of publications they actually loathed. Hence, it was probably the peculiar and inconsistent attitude of many newspapers (and persons of influence) toward the Minow challenge which caused prominent communications attorney, W. Theodore Pierson, to write: "... it is impossible to understand why journalistic craftsmen in nonbroadcast media either remain silent or applaud the cultural dictators when every constitutional justification for broadcast censorship can have similar counterparts with respect to nonbroadcast media."[3]

What Mr. Pierson was saying, in plain English, is that when a lion is in the streets, it's the duty of every able-bodied man to do something about it – if only for reasons of pure self-interest. His words were a rebuke to Messrs. Crosby and Martin and the hundreds of others who have moralized about the misuse of the airwaves. Yet, voices of great influence have applauded Minow, and we hear much pious theorizing about how all of us can be elevated and uplifted by a "truly responsible broadcasting industry."

One thing was certain: the television industry had somehow acquired a bad press – and some of the press had advocated strong doses of government intervention as the remedy for what they thought to be wrong with television. Their reasoning was that the "people own the airwaves; hence, broadcasting isn't free in the same sense that publishing is." There is also the argument that TV is a very powerful medium, and shouldn't be left in "private hands for private gain." The first argument is the more critical one, for it is the one that is presented to the public. The second argument – that TV is a particularly powerful medium – works just as well for those of us who deplore government control of communications. It is, we can conclude, the fiction of the "people's ownership" of the airwaves that

[3] W. Theodore Pierson, "Sees 'Electronic Press' Freedom Periled by Eggheads, Crackpots," *The Detroit News*, January 7, 1962.

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gives government its strategic hold on the licensed broadcasting industry.

An Insoluble Dilemma?

Now I did become extremely curious, for it appeared that free speech had indeed been forced into a dilemma simply by the physical limitation in the airwaves. And it remains an insoluble dilemma so long as one does not challenge the basic wisdom in "governmental ownership." I feel that this whole matter of "government ownership" should be challenged.

I have four points to make – four opinions to offer. They run contrary to most of what is said and heard about the plight of the broadcasting industry. But if the past is any gauge of the future, they simply must be true:

1. The revocable, renewable FCC-granted license has been an effective censorship device and will continue to be so regardless of who is serving on the commission.

2. Attempts to dictate to the broadcasting industry will tend to increase in the future unless the licensing regulations are relaxed or abolished.

3. A better broadcasting industry, truly serving the "public interest" and offering a wide fare for viewers, can only come about through less control – never through more.

4. The "people" do not really own the airwaves now, but would actually be able to exercise more direct control over the industry if the present licensing system were to be abandoned.

Licensing the Press

The licensing system has always been a means of control, and the feudal governments of old quickly imposed licensing restrictions on the printing industry in its earliest days. The practice of licensing the press was not abandoned in England until 1694. It had already become rooted in the colonies, and the press censorship of one kind or another was carried on without apology. Journalists like to point to the case of John Peter Zenger as one of the significant milestones in the battle for press freedom. In this famous case, back in those colonial days of 1734, Zenger was prosecuted for publishing harsh criticisms of the governor of New York and his administration. Freedom finally won the day when a jury acquitted Zenger, whose plea was that what he had printed was true, and thus not libelous![4]

From this early beginning, press

[4] William L. Chenery, *Freedom of the Press* (New York: Harcourt, Brace and Company, 1955).

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freedom in America finally made its way to the First Amendment of the U.S. Constitution. It became a national tradition. With remarkable fidelity to principle, the Supreme Court has time after time destroyed laws which threatened press freedom. A Minnesota law which tried to suppress "malicious, scandalous and defamatory" publications was struck down in 1931.[5] A Louisiana law which sought to impose a discriminatory licensing tax on newspapers was invalidated in 1936.[6] And in 1938 the High Court ruled that it was censorship of the press to enforce a municipal ordinance requiring a permit from a city manager in order to distribute circulars and handbills. The permit was actually a form of licensing, and in this decision the Court obviously made the tacit assumption that licensing and censorship go hand-in-hand.[7]

The Court has also had something to say about the attempts of federal agencies to censor the press. In the famous case of *Hannegan* v. *Esquire* (Magazine), the Court ruled that the Postmaster General's authority over second-class mailing privileges could not be used to prohibit the mailing of a publication deemed to be salacious, and so forth.[8]

There is everything to applaud in these decisions, regardless of how one might have felt about the publications or persons involved. The decisions upheld the principle of a free press, which goes hand-in-hand with a free country. As Justice George Sutherland said in the Louisiana decision: "A free press stands as one of the great interpreters between government and the people. To allow it to be fettered is to fetter ourselves."[9]

The result of our press freedom has been an unbelievable torrent of publishing covering every facet of life and thought. Much of it is bad, but much of it is also very good. The same laws that protect the publishing of frivolous comic books also guard the journals and books carrying the great ideas that test the foundations of society. To get the wheat, we endure the chaff, for nobody has shown us how to destroy the one and still preserve the other.

A Beclouded Issue

Yet this wonderful shield of the First Amendment, so jealously guarding printed matter and speech in open-air parks, becomes

[5] *Near* v. *Minnesota*, 283 U.S. 697, (1931).

[6] *Grosjean* v. *American Press Co.*, 297 U.S. 233, (1936).

[7] *Lovell* v. *Griffin*, 303 U.S. 444, (1938).

[8] *Hannegan* v. *Esquire*, 327 U.S. 146, (1946).

[9] Quoted in *Encyclopedia Americana*, Volume 22, 1961 (Freedom of the Press).

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beclouded when the issue of the airwaves is discussed. The whole idea of licensing communications media tends to contradict American principles, despite the intended safeguard of Section 326 in the 1934 Communications Act:

> Nothing in this Act shall be understood or construed to give the Commission the power of censorship over the radio communications or signals transmitted by any radio station and no regulation or condition shall be promulgated or fixed by the Commission which shall interfere with the right of free speech by means of radio communication.[10]

Yet this well-intentioned (and perhaps impossible) restraint on FCC powers did not place the broadcasting industry in the same unfettered position as the publishing world. The FCC had the right to review the general performance of stations and to evaluate their performance in the "public interest." This remained as a potential means of indirect censorship.

The Mayflower Decision

In 1940 the FCC struck at the very roots of free speech when it issued the famous Mayflower decision against radio station WAAB, which had openly editorialized in favor of a political point of view. The Mayflower Broadcasting Corporation, which owned the station, had to amend its policies in order to keep its license.[11] This decision obviously had a coercive effect on all other licenseholders, and obviously forced stations to travel a neutralist political line as much as possible. The Mayflower decision was modified in 1949 to permit editorializing *if both sides* of an issue were presented. This is as if a magazine or a newspaper had to make all of its editorials of the "pro-and-con" variety.

An even more dubious venture was the development of the FCC *Blue Book* in 1946. It was an attempt to define the public service responsibility of licensees, and it triggered congressional charges that the FCC was censoring and controlling programs.[12]

The net effect of this FCC posture has been to place the industry in the position of always staying on the "safe side." Freedom of speech clearly implies a right to express views that are contrary to our own, or to the prevailing political climate. If we define free speech simply as permitting people to say what we want them to say, we would then have to conclude that the Nazis and the communists granted free speech: one

[10] Walter B. Emery, *Broadcasting and Government* (Lansing: Michigan State University Press, 1961).

[11] William L. Chenery, *op. cit.*

[12] Walter B. Emery, *op. cit.*

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was always free in Nazi Germany or Russia to *praise* the regime, and it was only contrary viewpoints that were punished. Thus, by granting station owners only the right to express neutralist or middle-of-the-road editorial viewpoints, the FCC has probably robbed the industry of the vigor and individualism which Minow complains it now lacks.

The Old Story

Licensing is an unavoidable form of censorship; the FCC commissioners probably will continue to be censors whether or not they wish to be in that role. It is the old story: a federal agency given broad powers is actually forced to begin regulating and controlling in order to do its job properly. Far from being the officious meddler that many think him to be, Newton Minow may actually be one of the first FCC chairmen to have tried to do at least a thorough job. It is our fault – not his – if the job he's trying to do collides with our principles. We should change this by altering the purpose of the job, not by attacking or criticizing the man who occupies it for the moment.

As we have already seen, the Supreme Court ruled explicitly against licensing of the press. It was flatly held to be censorship. If this be true in the case of publishing, it must also be true in the case of broadcast media. The fallacy in the Communications Act was that it forbade censorship on the one hand, and yet on the other hand supplied the means of doing it.

Increasing Centralism

My second point is that the government's pressure to dictate to the broadcasting industry – and perhaps to the press through indirect means – can be expected to become increasingly bolder in the future. We would do well to remember David Hume's wise observation: "It is seldom that liberty of any kind is lost all at once."[13] In the case of the FCC, it could not be that any one FCC chairman could in his administration gain absolutely dictatorial powers. What happens this year or next may not seem especially offensive. But we live in a time when the pressures for centralism in the U.S. seem to be gaining new force at an accelerating tempo. Federal control of broadcasting is fully in accord with centralist thinking, as is federal control of everything else.

Characteristically, the influential centralists at the public level are mostly men of good will who advocate their doctrines because

[13] Quoted on frontispiece of paperback edition, *The Road to Serfdom* (Chicago: The University of Chicago Press, 1960).

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they believe they are best. In their view, centralism is even the moral thing; "the public good versus private greed," "production for need rather than production for profit" are some of their choice sayings. Mr. Minow is also a man of good will and his words ring with high moral purpose. Yet it is the duty of the rest of us to see clearly what must be the inevitable outcome. Each decision or precedent that paves the way toward centralism paves the way for more of the same in the future, since one action is used to justify a similar but more drastic one at a later time. Thus, Mr. Minow's attempt to strengthen the hand of the FCC is a dangerous thing, if indeed we regard federal control of communications to be dangerous.

Attacks on Television Are Part of a Campaign

We must also remember that many of the attacks on television have been the kind of attacks made right along at business organizations. They are simply one part of a massive campaign to thrust the government into every activity. Minow blasted the industry for the proliferation of commercials exhorting and cajoling people to buy things. The remarks carried the subtle implication that it is wrong to try to persuade people to buy things, when in fact successful salesmanship has again and again been shown to be a necessary phase of the distribution function. Minow also made pointed references to the industry's profits, which have been enormous in recent years, but once again there was the implication that profits are wrong or have somehow been extorted from the public in an underhanded manner.

The attacks on programming are not unlike the fondness left-leaning writers have shown in recent years for attacking fickle things like "automobile tailfins" and "hula hoops." There seems to be a familiar sound in this idea of running "public service" programs rather than "popular" programs; isn't it a little like the notion that funds should be diverted from the private sector to the public sector?

Once they have established their power, it is hard to break, for the cultural dictator is certain he's right. The egotism of these powerful, entrenched centralists is a frightful thing to behold. In Britain the British Broadcasting Company held a tight monopoly of the radio industry, and, when it developed, television. One of the bureaucrats who headed the BBC and hence held immense power was J. C. W. Reith, whose replies to criticism are a good indication of how he felt about the citizen's intelligence and judgment:

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"It is occasionally indicated to us that we are apparently setting out to give the public what we think they need—and not what they want, but few know what they want and very few what they need."

And another:

"It is becoming obvious that, however desirable central control may be for the reasons indicated, it is essentially ethical, in order that *one general policy may be maintained throughout the country* and definite standards maintained." (Italics mine.)

Mr. Reith's influence was always available in Britain to protect the monopoly of broadcasting, and incidentally, to maintain and enlarge Mr. Reith's own sphere of influence as director.[14]

A Better Broadcasting Industry

My third point is that the stated objectives of increased FCC jurisdiction – that is, improved programming in the "public interest" – probably will continue to elude us under the present system. The reason is simply that the market is forcibly restrained, and new ideas for increasing or varying broadcasting services are thwarted in the FCC hearing rooms. In fact, the entire broadcasting industry has some of the characteristics of a government-protected cartel, with broadcasters protesting FCC discipline and yet accepting the inevitable market protection the exclusive license provides. The very advantages this system is supposed to achieve – the offering of fine, high-level public service programs – has, in fact, been denied us. I don't dare suggest that the programs now featured would disappear if restrictions were removed – my chief hope is only that the free market would have a tendency to serve *all* audiences.

Yet, it would be a sad day for the cause of liberty if the main remaining arguments favoring freedom became simply those showing it to be more efficient. The major issue involved here should be a free communications system versus a controlled one. Whether radio and television are good or bad should concern us little.

Yet it seems that many people have drifted into a state of mind that asks only: "Which system will give us the best television programs?" rather than "Which system will keep our communications free?" It would be better if they chose to defend the principle of free expression, but in any case it should be made clear that our best hope of improving broadcasting lies in liberating the entire system.

"Improving" broadcasting ought to mean only the creating of con-

[14] Wilfred Altman, et al., *TV: from Monopoly to Competition*, Institute of Economic Affairs, London, 1961.

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ditions that will tend to create the stations and programs to serve the millions who are supposed to have been ignored when TV networks developed shows for the "lowest common denominator." A characteristic of the free market is that "demand" seeks to bring "supply" into existence, if the thing is at all possible. As we look about at all other industries, we can easily see that all businesses offer tremendous quantities of standardized low cost products for the mass market; yet this has not done away with unusual or special product lines for those who want them. Supermarkets have not destroyed the quality delicatessen stores, and mass-produced automobiles have not ruined the quality sportscar market. If there is a market for different kinds of television programming, the programming will find a way to appear.

Competition Changed BBC

The experience of television in Britain is interesting proof that increased competition (which would have to result in a free market) improved the programming. For almost all its existence, British broadcasting has been a government monopoly. This has been fought bitterly through the years, and it was proved that many British viewers tuned in on livelier broadcasts from the European continent – for the British Broadcasting Company was terribly dull. Finally, under mounting pressure, the government allowed one commercial network to begin broadcasting in 1955. The result: the coming of a rival forced the BBC to begin competing for audiences by using the same type of program fare. Viewers suddenly took to television as they never had before. It is estimated that the total TV audience (read market) in Britain has grown in seven years from 5½ million to 40 million.[15]

Yet this was only competition of a very limited kind. We have no way of determining what an uncontrolled television industry would be like. We can only point to the rest of our economy – particularly the freest portions of it – and say that something very fine would happen.

Nobody's Property

My fourth point is that the people do not effectively "own" the airwaves simply because they are public property. While this "people's ownership" may be true in a strict legal sense, it is not true in practice. At present, the airwaves hardly belong to anybody. The government does not really own them fully, because their use has been allocated to private broadcasting by the Communica-

[15] *Ibid.*

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tions Act. Yet, the private broadcasters are not owners either – they simply have three-year licenses. Thus, everybody's ownership rights have been diluted. It is a stalemate that ought to be broken – and it can be by removing the airwaves from their special "public property" classification.

In discussing the possibility of removing federal control of the airwaves, one quickly finds himself swept into a narrow "either-or" argument. Either we have federal licensing and control, the argument goes, or we face the broadcasting anarchy that existed before 1927.[16] After all, governments have to provide policemen to direct traffic, don't they? Freedom of the airwaves was fine back in those ancient times before 1927, but it would never work today.

One loses this kind of an argument every time if he permits it to remain on the narrow "either-or" basis. The fallacy of the argument is in its assumption that we have a choice only between federal control and chaos. Even persons who are quite suspicious of any kind of federal control of broadcasting cannot see other alternatives. We must remember that this federal control has existed ever since broadcasting's infancy, so the idea of liberating the airwaves has had little consideration. Ownership of the airwaves has been a government monopoly, to be shared sparingly with others. So long as this monopolistic ownership goes on unchallenged, there is little chance that the roots of broadcasting's problems will be touched.

Despoilers of Public Property?

The dispute will probably go on endlessly so long as the government continues to claim that it "owns" the airwaves. It is this claim of ownership that casts the broadcaster in a role only slightly above that of a free-loader or a despoiler of public property. To hear all of the moralizing about the "people's airwaves" and the "sacred public trust," one would think that the airwaves were something built and paid for by public funds. Actually, the airwaves existed all along, and it was only the fantastic growth of the radio and television industries which gave them value at all. Most people didn't even know of their existence until the miracle of radio proved it. If anybody should be in another's debt in this situation, it is the government which should reimburse the industry for

[16] The year the Federal Radio Commission was formed. FRC was superseded by FCC as a result of the 1934 Communications Act.

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the tremendous capital appreciation of its airwaves.

Side-stepping the "either-or" argument, one begins to see a possibility of reasonable solution through private ownership and control of the airwaves. Let broadcasters own the airwaves themselves or lease them from other owners. Let the market pricing system allocate this scarce, valuable, economic resource to the highest bidder, with full powers to use his property as he judges best in the conduct of his own business. The market has functioned admirably whenever it has been given a chance with respect to countless other scarce and valuable resources; why not the airwaves? (At this point you will hear the "What-about-obscenity-and-sedition?" argument, but this doesn't apply either, for our courts are empowered to deal with obscenity and sedition, despite who happens to own the offending medium.) The private ownership or leasing arrangement has been advocated by Professor R. H. Coase of the University of Virginia, and like all sensible solutions to perplexing problems, it is perhaps the only one which gives any promise of correcting broadcasting's present confusion.[17]

[17] Ronald H. Coase, "Why Not Use the Pricing System in the Broadcasting Industry?" *The Freeman*, July, 1961, p. 52.

Everything Else Is Limited, Too!

Since these channels are limited in number, wouldn't this be to favor some individuals over others? Well, of course, that is what has already happened even under the FCC! Professor Coase answered that argument very well by pointing out that land, labor, capital, and almost everything else of commercial value is in limited supply. (Indeed, if the supply were unlimited, the commercial value might not be high!) Actually, ownership of the stations *and the airwaves* would most likely continue to rest with the persons and corporations who are in the business now, for they are the ones with the capital, and experience. One must remember that a "free enterprise" broadcasting industry would "favor" those who run their stations most effectively, and would eliminate those who don't. Use of the airwaves would tend to revert swiftly to those who could make the best use of it.

Private ownership of the airwaves would introduce another factor that has been virtually absent from the industry: an intensified, well-financed campaign to bring more channels into existence or to narrow existing channels to permit broadcasting several programs simultaneously in the band now used for one. At present there is no incentive at all for private

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enterprise to sponsor this kind of an effort, and other efforts are constantly thwarted by restrictions.

Let us suppose, however, that private broadcasters were in a legal position to increase the worth of their own investments through a technological breakthrough of this kind, or through promoting pay-television and the ultra high frequency channels.[18] Would they not do so, as quickly as possible? And would not the availability of more channels eliminate for all time the often-heard complaints that wonderful programs with only 10 million viewers were removed from the programming to make way for westerns watched by 30 million viewers? Would not broadcasters seek to serve minority audiences as they are now unable to do?

Of and For the People

Thus, I argue that the people and not the government ought to own the airwaves. I think we should label as utter hypocrisy this notion that "the people" can effectively "control" or "own" the airwaves through their government. Which of us, because of his vote or his contact with a congressman, has the slightest voice in the operations of the U.S. Government Printing Office or the Tennessee Valley Authority? Yet, in theory, we "own" these establishments. But over privately-owned businesses, we do have power – the immense and considerable power of exercising our right to buy or not to buy. We can influence the direction of privately-owned establishments whenever it suits us – but our government "ownership" of the airwaves will continue to get us more troubles like the ones we've had.

As a citizen, I would be glad to aid the cause of freedom by relinquishing my own microscopic interest in the public's airwaves. If the other 184 million "co-owners" would do likewise, we could let the broadcasting industry become something it hasn't as yet had a chance to be – the greatest and most effective medium the world has ever seen – offering something of everything and not too much of anything – serving the majority without slighting the minority – being truly a service that is of and for the people. ◈

[18] No attempt here to discuss toll-TV controversy or the difficulties of developing UHF channels. Author believes toll-TV dispute is a direct result of licensing system, which throws upon FCC rather than the open market the burden of deciding utilization of new broadcasting methods. UHF problems are quite involved, but it is safe to generalize that the free market also has the means of developing UHF *when the need for additional channels occurs in specific areas.*

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ARE CONSUMERS BOOBS?

HENRY HAZLITT

IF YOU BELIEVE the books of Vance Packard and J. K. Galbraith and the speeches of Senators Kefauver and Douglas, the consumer is an ignoramus and a fool, unable to compare one product with another, swallowing every advertising claim, incompetent to spend his own money. The President's 5,000-word message to Congress on March 15 (his fourteenth this year) implies that these assumptions are correct. So he calls for scores of new federal controls, and an army of new bureaucrats to enforce them.

If these assumptions are true, the country would be in a bad way. For if the American people are too stupid to buy intelligently, how can they be expected to vote intelligently, or to know how to discriminate among the rival claims of politicians?

Yet the consumers may not be as helpless as Mr. Kennedy assumes. He says: "They are the only important group in the economy who are not effectively organized, whose views are often not heard." They do not need to organize. Their views are heard every day in their purchases and failures to purchase. With every penny that he spends, the individual consumer is casting his vote for this product or against that. He does not need to sign petitions or march on picket lines. If he patronizes a product, the firm that makes it prospers and grows; if he stops buying a product, the firm that makes it goes out of business. The consumer is the boss. The producers must please him or die.

The great protection of the consumer is competition. It is true, as the President says, that advertisers (like politicians) utilize "highly developed arts of persuasion." But their advertising is *competitive*. When each of a score of firms in each line claims that *its* coffee, or *its* cigarette, or *its* car is the best, the consumer must compare. If a coffee, say, is not to

Newsweek, April 2, 1962.

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a housewife's liking, she buys only one can, and then tries another. She does not have to stick with one brand (as she does with one senator) for six years. If she feels cheated in quantity or quality, she does not repeat her purchase.

Even the President's message admits that: "The typical supermarket before World War II stocked about 1,500 separate food items – an impressive figure by any standard. But today it carries over 6,000." This enormous range of choice was produced by freedom and competition, not by government restraints and bureaucrats.

Yet Mr. Kennedy's solution for every problem seems to be more and more laws, more and more agencies, thousands of more bureaucrats, more and more government power, controls, and restraints.

Space permits no adequate examination of his many specific proposals. The First National City Bank of New York, in its March letter, has already explained what is wrong with schemes to force disclosure of the "truth" about interest rates. Mr. Kennedy wants manufacturers to be *compelled* to make a specified type of TV set. He wants federal bureaucrats to have power to forbid the sale, not merely of unsafe drugs, but of drugs that *they* decide are "ineffective" or "worthless." This would not only ruin firms, but prevent the very clinical experience by which the relative merits of new drugs must be tested. Is this "protecting" the consumer? And would the principle be extended to allow bureaucrats to forbid the sale of "ineffective" or "worthless" paintings, newspapers, magazines, or books?

In spite of its length, there are a lot of things missing from the President's message. Nothing is said about what the federal farm program does to raise prices against the food consumer; or how import quotas on oil, sugar, and textiles boost the prices he pays; or how excessive wage demands and featherbedding affect consumer prices and choice. Mr. Kennedy wants "more adequate protection for savings." But the gravest threat to savings has come from inflationary government spending.

The best way of protecting the consumer is not mentioned by the President. It is not to harass, threaten, hamstring, or intimidate the producer. It is to encourage the producer, by lower taxes and fewer restraints, to invest in new equipment, to expand, and so to reduce costs and prices and increase production. ◈

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THE WOOL OVER OUR EYES

JOHN C. SPARKS

MORE OFTEN than one would believe possible, business and professional men are taken in by the glibness of a "liberal" speaker. Many civic luncheon clubs are similar to mine, to all appearances conservative, with members who speak out against government encroachment in their lives. Yet I have witnessed some of our business and professional members congratulate the speaker for saying things contrary to their purported beliefs, or at least opposed to the best interests of their businesses and professions.

Recently a federal government employee presented a slide-film and commentary on the agricultural program. He was a likable young man with a disarming manner who set out to explain that in this program the farmer actually subsidizes the taxpayer! The low cost of food is proof that the government program works well, he said, implying that government intervention accounts for the relatively small percentage of income spent for food in our country as compared with others. He pointed out that nine out of ten persons were needed to produce food in colonial times, now less than one out of ten, also attributing this progress to government farm programs. The meeting chairman reported later that he had numerous compliments on his selection of the speaker, and there were many side comments that the government farm program was not so bad after all. Granted, perhaps only a minority were fooled. Most members may have silently disagreed, though few voiced their dissent.

Several years ago I sat in an audience composed chiefly of college graduates who were members of a club reputed to be basically conservative in philosophy. The speaker's message contained sev-

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eral "liberal" suggestions, including a strong recommendation that Red China be admitted to the United Nations. He was technically an excellent speaker with interesting tales high-lighting his commentary. He skillfully wove in phrases in support of individual freedom, but somehow each passage wound up advocating more government interference, higher taxes, relaxation of vigilance against communism, and Red China's admittance. When he finished, the audience gave him a warm and lengthy ovation. I sat without moving, appalled that the applause had gone far beyond mere courtesy, indicating enthusiastic approval of his address.

Had I misunderstood him? Was I too critical in my evaluation of what I thought he said? My doubts quickly evaporated when a few others in attendance confirmed my viewpoint. Later, a group of us gathered at a friend's house. One businessman who had been in the audience thought the speaker was excellent in his basic premise in favor of "Americanism." Not until the points were reviewed one by one did our friend realize how they had been disguised to promote the socialist philosophy.

These examples are not to illustrate that some people are more easily fooled than others, but to show that a good critic must thoroughly know the subject if his appraisal is to be worth anything. Reputable persons who deal in precious stones, for example, always make sure they know how to recognize and evaluate them; otherwise, financial disaster will be close at hand.

The citizen of our country is also dealing in a precious commodity, namely, his freedom to own property and to make his own decisions. Failure to understand the nature of freedom will lead to its loss and to subsequent disaster far more tragic than financial bankruptcy.

Three Basic Types

Basically, there are three descriptions of government, as pointed out by Frederic Bastiat, mid-nineteenth century French author:

1. Where the few plunder the many
2. Where everybody plunders everybody
3. Where nobody plunders anybody

Legal plunder occurs when "the law takes from some persons what belongs to them, and gives it to other persons to whom it does not belong."[1]

[1] Frederic Bastiat, *The Law* (Irvington, N. Y.: Foundation for Economic Education, Inc.)

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Our government, founded on the third idea above, has deteriorated uncomfortably near to the second classification. Political parties, in or out of power, seek favor of groups (voting blocs) by awarding or promising them special privileges at the expense of others. When everybody plunders everybody, producers find little incentive to produce. Everybody finds it less painful to plunder than to be plundered,[2] at least up to that certain point when nothing remains to be taken. It is difficult to tell how far the United States has moved toward universal plunder, but there is little doubt that we are going in that direction.

Other nations of the world are now challenging our vaunted productivity. In the terms of the sports page, they are lean and hungry to get on top, while our team has grown fat and sluggish. Under the system, "Nobody plunders anybody," our nation was the production wonder of the world. But somehow we have grown wool over our eyes. We have replaced the winning combination with a sure-fire loser; many businessmen applaud the winsome chap speaking in support of more socialism – because they have not taken the trouble to find out what his words really mean.

Examples of Legal Plunder

Hundreds of communities, headed by private businessmen, are trying to plunder others by joining the rush for federal aid to refurbish or rebuild their downtown areas. Those who are plundered may seem to the plunderers to be obscure nameless persons; but the victims are real persons, including industrialists in their same community and merchants in the outlying suburbs, trying to produce goods and services. Thus, one more burden is added to the backs of the nation's overtaxed producers.

Recently an airline sought to drop a certain route because it was unprofitable to operate. Whereupon, numerous industrial and business leaders petitioned the government to forcefully hold their sister private enterprise in that loss situation, even though another airline, better equipped for feeder flights, was anxious to take over the service. When one private enterprise enlists the help of government to prey on another private enterprise, this dooms all private enterprise to oblivion.

Another example – there are so many – relates the story of a privately-owned newspaper in our newest state of Hawaii. Editori-

[2] Everybody, that is, except those who are aware of and understand the immorality of plunder.

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ally, it applauded the federal government for starting a government travel service, even though the budgeted $2.5 million is only a "token effort" in the eyes of the newspaper. The publisher either is unaware or does not care that he advocates plundering his fellow citizens, taking away their right to use the fruits of their own efforts for the benefit of himself and his vacationland community.

Overburdened Producers Find It Difficult To Compete

The American producer has been loaded with so many burdens – a fair proportion of his own making – that he is no longer the peer of the world markets. Labor unionism generally has failed to cooperate toward production efficiency. Little wonder that foreign products are cutting deeply into our markets at home and abroad! Adding to the burden are those plunderers who crusade in the name of the poor and the downtrodden, demanding social welfare for the irresponsible and unproductive. When voluntary charity and individual responsibility are replaced with legal "charity" and government "security," then disappears that inventive self-reliance that is born of necessity. Through minimum wage laws and unemployment benefits, we reward the idle by taxing the industrious, and insist that the marginal worker apply for "relief" rather than drop the price of his services to what they might be worth.

How many of our representatives in state and national bodies have had the knowledge and courage to vote against the laws of plunder? How many have stood against increased unemployment compensation, higher social security benefits, and pork-barrel money-grabbing for depressed areas? One can hardly expect these legislators to act otherwise; unfortunately, they reflect the demands of their constituents.

No constituent should know better what is at stake than he who owns or runs a business or practices a profession. And no constituent has more influence than a sincere, intelligent entrepreneur who knows the score. These men are the leading producers. They are close to the market place and know how it operates. The key players in the all-important game between a big oppressive government and a free market place are business and professional men. But for some reason, the wool over their eyes has blinded many of them to the truth. Yet time after time we find supposedly successful businessmen applauding the schemes of those who would do away with freedom of choice. ◈

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JOHN E. SWEARINGEN

REGULATION OF AMERICAN BUSINESS

I PROPOSE TO TELL what amounts to a modern-day ghost story. The specters in question are the manifold and proliferating regulatory agencies of the federal government, whose existence was not contemplated by our Constitution and whose all-pervasive powers and activities go largely unrealized today by the average citizen.

Too many of our people are going more or less blithely through life under the misapprehension that the country is being governed pretty much according to the original ground rules. I am not at all sure that a little knowledge in this instance is merely dangerous. It could prove to be fatal.

Those who think that the federal government is made up primarily of an executive and a legislative branch, with an independent judiciary standing by as an impartial arbitrator, have lost touch with reality. Such people dwell in wonderland. And while the wonderland may have unquestioned origins in the concepts under which this nation was wisely created, it is nevertheless a land of fantasy in terms of the facts of life in 1962.

What has actually happened is that, starting in 1887 with the creation of the first federal regulatory commission – the Interstate Commerce Commission – we have witnessed the step-by-step development of a fourth branch of government. Today it embraces over sixty independent federal agencies with approximately 400,000 employees and a total annual budget of around $10 billion. Should any of you wish to examine this intricate structure in more detail, I refer you to the United States

Mr. Swearingen is President of the Standard Oil Company of Indiana. This article is from an address before the Rotary Club of Los Angeles, February 28, 1962.

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Government Organization Manual, which devotes 236 pages to the subject.

The results of this mushrooming process are in many ways astounding. We have arrived at the unhappy point at which the Cyclopean eye of some almighty regulatory agency is upon us when we buy or sell, ship or receive, hire or fire, grow or manufacture, save or spend, drink or diet, profit or lose, talk or listen.

Furthermore, many of these regulatory agencies exercise unusual powers in that they first promulgate regulations which have the force and effect of law, then enforce them, and later adjudicate them.

Still another facet of this complex regulatory process that deserves mention is that the commissioners of the various agencies who exercise such control over our economic and social system are nonelective officials, many of whom, while theoretically responsible to the Congress, are in large measure of fact responsible to no one in particular.

To complicate the situation further, many of the people who actually prepare the regulations, enforce and adjudicate them, are lower-level staff personnel whose role and deliberations in decision-making are almost impossible to determine. Yet their philosophy and judgments are reflected in conclusions affecting the daily lives of all of us.

When we add to this already seething cauldron the frequent lack of clearly-defined areas of jurisdiction between various regulatory bodies, we arrive at a final mixture of widespread confusion as to precisely what a businessman or a corporation properly can or should do, as to what body has legitimate authority to make and enforce decisions regarding such conduct, and as to where one can effectively turn for appeal from a questioned ruling.

FTC Threatens the Competition It Was Established To Insure

My own company has had sufficient firsthand experience with this process to give us a certain status as experts on what the results of such a system can be. Let me give you just one example of what can happen in the business area.

This problem originated in the 1930's, at a time when competition was especially rugged, and our competitors began trying to win over some of our best wholesale customers in Detroit by offering them a lower price on gasoline for resale. When several of our most important wholesalers actually started to buy from competitors, our company finally

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agreed to meet this threat by matching part or all of the reductions our competitors had offered. The result was a complaint from the Federal Trade Commission, issued on a chill November day in 1940, that our action constituted unfair discrimination and amounted to an unlawful injury to competition. As the Commission saw it, either we should not have reduced the price to these particular wholesalers, or we should have reduced it to everyone in the area to whom we were selling – including all retailers.

We pointed out that neither of these two courses was at all reasonable. Unless we met the competitive price, we would have lost these jobbers as customers, and they would have received the lower price anyway. On the other hand, had we lowered prices to everyone, marketing in Detroit would have become uneconomic. The company would have lost money, and, what's more, our general price level in Detroit might have been so low that we could conceivably have been charged with trying to destroy competition there.

The case finally got to the Supreme Court, which ruled on it in 1951, agreeing with our contention that meeting competition in good faith is an absolute defense to a charge of price discrimination. Eleven years may strike you as a long time to wait to find out whether a common business practice is or is not permissible, but this was only phase one.

In the second round of litigation, the FTC then sought to demonstrate that we had not acted in "good faith" in meeting our competitors' price. Once again, we started the climb up the ladder to the Supreme Court, which once again decided in our favor, but not until early in 1958. In our judgment, the net effect was to preserve a competitive system for American business, but it took 17 costly and trying years of litigation to do it. And, to preserve our right to compete, we had to fight off a federal agency originally established to insure the continuance of effective competition.

I give you this case history only as an example of the extent to which we are all wandering in a regulatory maze. If we had realized at the time we reduced our price to a handful of gasoline wholesalers in Detroit that this defensive action would lead straight to nearly two decades of litigation, I suspect we might have weighed the matter in a somewhat different light – although I doubt we would have altered our actions, which we considered fully justified.

Nevertheless, I submit that this is the kind of thing that can give

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any responsible businessman nightmares at high noon. In our instance, the continuing threat to our ability to compete also threatened the interests of our thousands of stockholders and employees.

And lest any of you be tempted to assume that this is the extreme to which an individual or a corporation is likely to be forced, let me give you my sorrowful assurance that it is little more than a taste of what lies ahead unless the course of events can somehow be changed.

Pre-Judging an Action

This is not merely an idle opinion. There is presently before the Congress a proposal to grant to the Federal Trade Commission new powers even more far-reaching than any seen thus far. In effect, this proposal would empower the Commission to issue a "cease and desist" order at the outset of a complaint, compelling an individual or a corporation to discontinue any practice questioned by the Commission. Such an order against our company in 1940 would have left us under a serious competitive disadvantage in a major market for 17 years, pending ultimate vindication.

I could with ease present numerous other examples involving only the petroleum industry. There is the interesting tragedy of errors involving another federal agency – the Federal Power Commission – and the natural gas segment of our industry. Here the situation has become so complicated that the Commission stated at the end of 1960 that it would not reach a current status in its independent producer rate cases until the year 2043 – assuming its staff were to be tripled.

In the meantime, many gas producers are understandably reluctant to commit their supplies for periods of up to 20 years or more into the future without knowing the price they will ultimately receive for their product. This uncertainty has led, among other things, to increasing sales of natural gas for industrial use within the producing states, since the pricing authority of the Federal Power Commission is limited to sales of gas moving into interstate commerce. Whatever else can be said of this development, it hardly appears to be in the long-term interest of the many residential users of natural gas outside the producing states.

But while I have mentioned only some of the problems facing my own industry, please remember that they are being duplicated at an increasing rate in every area of enterprise in the country. No undertaking can escape them. The

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railroads have had their share since the turn of the century, under the Interstate Commerce Commission – and many are near bankruptcy. As commercial aviation developed, a mounting number of activities of the airlines have fallen under the jurisdiction of the Civil Aeronautics Board and the Federal Aviation Agency. We are all familiar with current difficulties involving the relatively new television industry and the Federal Communications Commission.

An Interminable List

There is no need to run down the interminable list. It is sufficient to say that it would be difficult to envision any form of enterprise, including those yet unborn, which can now or could in the future escape the regulatory yoke. If existing agencies should somehow be found to lack authority, I have no doubt that new ones will be promptly created. Neither is there any need to belabor the point that this relentless extension of federal control presents a problem of serious dimensions.

Please keep in mind also that my comments have been confined largely to a single area of controls over business activity – that of the federal regulatory bodies. While I have singled out this area because the extent of its influence is so little comprehended by the public, it is well to remember that still other regulations and controls emanate steadily from other sources in Washington, while many of these bodies again have their counterparts at the state level.

Well what, you may ask, is the moral of this dismal tale? I am not certain that I am fully qualified to answer that question. Obviously, the situation is studded with morals of various sorts, depending on your viewpoint. We have at issue the steady erosion of individual liberties, the increasing substitution of bureaucratic planning for individual decisions in the market place. The whole direction in which the world's leading democratic country is moving seems to be involved. It is not easy to say whether the problem is basically one of the theory of government, of economics, of philosophy, or of morality. How much regulation of our private affairs is needed? How much is justified? How much can we undergo without drastically altering some of our oldest concepts about a free society?

Instead of attempting to answer questions of this complexity, let me rather conclude with a purely pragmatic observation or two in light of the present position of the United States in the world community. I think it is by now no

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news to any of us that we are in the midst of a gigantic economic struggle with the Soviet Union. In so many words, Khrushchev has declared economic war upon us, and through this means expects to win the world for communism without the need for direct armed conflict.

Still another factor to be reckoned with is the emerging European Common Market, from which America can expect increasing competition in international trade, the answer to which can only lie in the direction of still greater efficiency and productivity within our own economy.

Meanwhile, American business is being looked to as the prime mover in the development of a gross national product of at least $570 billion to develop enough tax revenue to pay the government's bills in the next fiscal year.

Unless the pronounced trend toward more and more regulation of more and more matters involved in the daily conduct of business can be halted, it is questionable whether American business can retain the necessary freedom of decision and action to meet the challenges which lie directly ahead. If we sit by and permit the increasing encirclement of business by bureaucratic regulation, we cannot in all common sense continue to expect the fruits of a vitally-needed expanding economy.

As a nation we are at this moment faced with tremendous responsibilities, both to our own people and to the entire free world beyond. They can never be met without the creative contributions of a dynamic economic sector, yet we stand in danger of witnessing American business being little by little painted into a corner so small that it leaves hardly enough room in which to turn around. To state it another way, what we're doing is applying pointless regulatory brakes to business in many important ways when we should be trying to step on the gas. We are surrounded by seemingly numberless regulations of debatable need, uncertain effect, and arbitrary origin. As for the element of public consent to this process, the public hardly comprehends what is taking place.

Here, perhaps, lies the greatest danger – the danger that individual initiative will become swamped by government edict before enough people awake to the threat.

In the words of John Stuart Mill, "A state which dwarfs its men, in order that they may be more docile instruments in its hands – even for beneficial purposes – will find that with small men no great thing can really be accomplished." ◈

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LEONARD E. READ

ANY TIME a great debate rages on any particular subject – such as academic freedom – and on each side of the controversy are arrayed intelligent men of good will, one conclusion can be reasonably drawn: Some basic principle in the argument has been neglected.

Academic freedom has been debated as if it were primarily an ideological or a philosophical problem whereas, in my view, it is an organizational problem. Whether a teacher be a communist, a socialist, a Fabian, a New Dealer, or their direct opposite, is a matter of secondary concern, unrelated, strictly speaking, to academic freedom. If we were to shift the subject from academic freedom to the free market and then argue that it mattered whether or not one were a carpenter, a plumber, a farmer, or whatever, we would be on comparably untenable ground.

The confusions about academic freedom may be cleared if we first examine teaching in its simplest form and move from there to more complex forms.

The simplest teaching relationship would exist between parent and child. The parent is responsible for the child, and consequently has authority over the child. The basic principle in all successful organization is that responsibility and authority be commensurate. Any deviation leads to trouble, whether in the simplest relationship between parent and child or in such complex relationships as are found in large corporate organizations. The successful parent-child relationship will find the parent relinquishing authority as the child grows in stature and assumes the responsibilities for his own life. When responsibilities are fully assumed, no parental authority whatever should remain. The solution of the academic freedom problem rests squarely on the responsibility-authority principle.

The mother teaching her child,

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assuming no interference, has perfect academic freedom. She will teach the child precisely what she wants to teach. Whether the mother is a communist, an anarchist, or of the libertarian persuasion has no bearing on the question of academic freedom.

A Third Party Introduced

Now let us take the first step toward complexity, the mother employing an aide, shall we say a tutor? The responsibility for the education of the child still rests with the mother. And if trouble is not to ensue, the authority must also remain with her. The tutor may or may not share the mother's views about life, education, and social affairs. But regardless of their agreements or differences, the mother should still be in the driver's seat. If she can delegate a portion of her responsibility-authority powers to the tutor, she also should be free to revoke such powers. The power to hire, logically, carries with it the power to fire. If one could only delegate and not revoke, could only hire and not fire, he would be in the absurd situation of having to live all of his lifetime with an ever-growing accumulation of mistakes. If this were the case, who would dare risk employing anyone?

In this mother-child-tutor arrangement, let us assume that the mother is a devotee of socialism and that the teacher turns out, much to the mother's surprise and disgust, to be of the libertarian persuasion, one who believes in no coercion at all to direct the creative activities of citizens within a society. What then? Is the socialist mother obligated to retain the libertarian tutor on the grounds of academic freedom? Whose academic freedom? The mother's or the tutor's? Is the mother, who once had academic freedom, now to be deprived of it because of hiring the tutor? Is the tutor's freedom to teach what he pleases to supersede the mother's freedom to have her child taught what she wishes? This anomalous arrangement would have the mother responsible for the education of the child and for paying the tutor, and leave the tutor with authority as to what the child should be taught – the responsibility-authority principle totally violated. Nothing but friction would result, certainly no educational progress.

Libertarian views generally are founded on the belief that each person has an inalienable right to his own life; that he has the responsibility to protect and to sustain his life; and with this goes the corresponding authority to make free choices as related to every creative action – no excep-

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tions! Our tutor, holding such libertarian views, must concede that the socialist mother's academic freedom supersedes his own as it relates to what should be taught the child. That is her business and not his. For him to argue that he can teach her child what he pleases, that she does not have the authority and the right to discharge him lest his academic freedom be violated, is to place the argument on the wrong ground. *Such a claim would be for tenure, not for academic freedom.*

The tutor's academic freedom is in no way violated if the socialist mother chooses to discharge him. He is free to teach his libertarian views to his own children or to the children of parents who may subscribe to the services he is prepared to render. Academic freedom would be violated if one were coerced into teaching what he believed to be wrong – if the libertarian tutor were compelled to teach socialism, or if the socialist mother were compelled to have her child taught libertarian ideas.

Further Complexity

Numbers can be added to the parent-tutor relationship without altering the responsibility-authority lines. A good example was the Ferris Institute of 1917, long before it became a government school. Mr. Ferris owned the school. There was no Board of Trustees. It was a venture as private as his own home. He employed teachers in accord with his judgment of their competence. He admitted students in accord with his judgment of their worthiness. If he thought he had erred in the selection of a teacher, the teacher was discharged. And many students were sent home because they would not meet the standard of hard work he required.

Mr. Ferris had the sole responsibility for the success of Ferris Institute; and, correctly, he assumed the authority for its conduct. Academic freedom was in no way offended. Teachers who shared his educational principles were free to submit their credentials and, if employed, to put these principles into practice. Parents who liked the hard-work standards of Ferris Institute were free to seek admission for their children.

Most private educational organizations are more complex than was the Ferris Institute of that time. Some are corporations organized for profit, in which case the ultimate responsibility and authority rest with the stockholders in proportion to their ownership. As a rule, the responsibility and authority are delegated to a Board of Trustees; and the Board, in turn, delegates the re-

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sponsibility and authority to a chief executive officer, usually a president. The president organizes the institution and delegates the responsibility and authority vested in him to numerous subadministrators and teachers. The stockholders, having the final responsibility for the institution, quite properly have the authority to change Board membership if they find themselves in disagreement with Board policy. The Board, in turn, having been given the responsibility by the stockholders, has the authority to discharge the chief executive officer if they believe he is not properly executing its policy. The chief executive officer, vested with responsibility by the Board, has the authority to change his aides if he believes they are not carrying out his ideas. Discretion in exercising authority, regardless of where vested, is assumed.

Complexity in no way alters the responsibility-authority principle, but only increases the difficulty of tracing the responsibility and authority lines.

Rules for Cooperation

All organization, educational or otherwise, is an attempt at cooperation. Cooperation is not possible unless responsibility and authority go hand-in-hand. Example: You want a new house, but rather than build your own you select a contractor to whom you delegate the responsibility to build it in conformity with specified plans. Now, suppose that you delegate no authority to the contractor and that other members of your family, and any of the carpenters, can alter the plans at will. The house, if one ever materialized, in all probability would be a mess.

Suppose, on the other hand, that you have given the contractor an authority commensurate with his responsibility, and he then tells the carpenters that the construction is to be precisely according to your plan. But the carpenters protest: "This is doing violence to our freedom. You are not letting us practice our views on carpentry." The absurdity of this is apparent. Yet, it is the same as the teacher's protest, "You are doing violence to my academic freedom," when he is asked to respect the authority of the one who has the responsibility for the teaching organization. Actually, he is insisting that he be permitted to do as he pleases in matters for which someone else has the responsibility. He claims freedom to do as he pleases while he denies it to the responsible person who pays him.

Often, it is not academic freedom that is at issue; it is simply

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a claim for tenure. American parents, not wanting communism and socialism taught to their children, seek the discharge of teachers of such faiths. But the teachers cry "academic freedom" and the parents, Board members, and school officials are loath to violate this sacrosanct part of their own philosophy. So, the academic freedom argument is a good tenure argument. It is precisely the same as the "right to a job" argument advanced so persuasively by professionals of the labor movement. It "works," and therefore is used.

Enter, the Government

This argument succeeds because the responsibility-authority principle has been neglected. The neglect comes, in the case of public or, more accurately, government education, because it is most difficult to know who is responsible or what performance is expected. Where does responsibility ultimately rest? With the taxpayers in proportion to their assessments for schools? Generally, this would be denied. With the parents who have children in government schools? These, seemingly, have no more responsibility than those with children in private schools, or than those who have no children at all.

With the voters? Probably this is as close as one can come to identifying ultimate responsibility in the case of government education. If the responsibility rests here, then that is where the final authority rests. It rests here in theory and to some extent in practice. The voters – whether or not they are interested in education and whether or not they have children – elect Boards of Education. These in turn select superintendents, who then employ deputies and teachers. Without too much difficulty, one can trace the chain of responsibility in government education from the voters who ultimately hold it and who delegate it by plebiscite to Boards of Education, to superintendents, to teachers. But the teachers, in theory, have no authority to teach what they please. They are, in theory, subject to the authority of the superintendents, the superintendents subject to the Boards, and the Board members to the voters. Simple enough thus far![1]

The question is: What do the voters want taught? What teaching has this heterogeneous mass the authority to impose? Every conceivable point of view and educational technique known to man may be found among these mil-

[1] It is not quite as simple as this suggests. Federal and State and City Departments of Education are assuming increasing powers and tend further to confuse the responsibility-authority lines.

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lions of voters. They range from one ideological extreme to the other. Among them are communists, socialists of every gradation, anarchists, libertarian idealists, Jews, Catholics, Protestants, and what have you!

What do these people want? They want all things. And the best one can expect from such a plebiscite is the common denominator opinion of the millions, an opinion subject to all sorts of emotional influences, expressed in a voice that is rarely clear.

Vague Generalizations

Our purpose here is not to argue the merits of government education, but to demonstrate how confusion about academic freedom arises when the source of responsibility is unable to speak clearly or exercise the authority it possesses "on paper" or in theory.

There need be no such confusion in the case of private education. Pronounced variation results from private endeavor. Each enterprise presents its own brand of education, and citizens take their choice.

Government endeavor, on the other hand, results in vague generalizations. All the wants and aspirations, the interests and conflicts, are combined into an educational *potpourri*, the ingredients of the compromise being proportional to the popularity of various ideas at the moment.

Adding to the confusion is the fact that all parties in the chain of government responsibility-authority – Boards of Education, superintendents, deputies, and teachers – are themselves voters making decisions not only as a part of the plebiscite but acting on their own authority, not necessarily the authority issuing from the plebiscite.

The government educational effort is a political apparatus and behaves accordingly. The indifference of voters invites special interests to assume command.[2] For instance, if teachers adequately organize, they can easily control the government school system and supplant the voters as the responsibility-authority fountainhead. The deputies, the superintendent, the Board of Education, and the voters become the teachers' aides, so to speak, helping primarily as taxpayers.

When affairs take such a turn – a common occurrence – it is easy to see how teachers resent any voter interference with the freedom to teach whatever they please. The teachers have appropriated the responsibility for the

[2] Voter indifference today in America is no sociological accident. It is an inevitable consequence of overextended government.

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government schools. And with the responsibility goes the authority to manage the schools, even the authority to make the voters – displaced bosses – pay the bills. In this topsy-turvy arrangement, it is natural that teachers should feel free to teach what they please. Interference, from whatever source, is indeed a violation of their politically purchased "academic freedom."

Remove the Coercion

As long as education is politically organized, the squabble over academic freedom will continue. The voters, by reason of their natural indifference and diverse opinions, are unlikely to regain the responsibility and authority which the theory of government education presumes to be theirs. If they would end the squabble, they will have to get education out of the political arena.

This confusion about academic freedom, which originates in government education, carries over into private schools in many instances.

Academic freedom is no more sacred than is freedom of speech, freedom of the press, religious freedom, freedom to produce what one pleases, and freedom to trade with whomever one pleases. There is no freedom peculiar to the classroom, diplomas, degrees, or mortarboards. Let anyone teach what he pleases, but let him do it on his own responsibility. Let him not cry "academic freedom" as he robs someone else of freedom.

When government is in the educational driver's seat, academic freedom will always be argued as if a political and ideological problem, which really it is not. When the market is free for the production and exchange of all goods and *all* services the issue of freedom –academic, economic, or whatever – is never in question. ◈

Liberty

THERE IS NO WORD that admits of more various significations and has made more varied impressions on the human mind, than that of liberty. Some have taken it as a means of deposing a person on whom they had conferred a tyrannical authority; others for the power of choosing a superior whom they are obliged to obey; others for the right of bearing arms, and of being thereby enabled to use violence; others, in fine, for the privilege of being governed by a native of their own country, or by their own laws.

MONTESQUIEU, *Spirit of the Laws*

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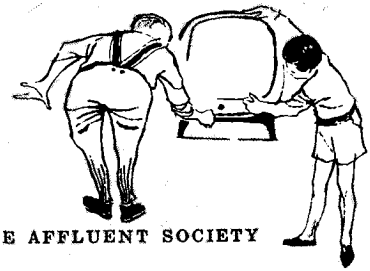
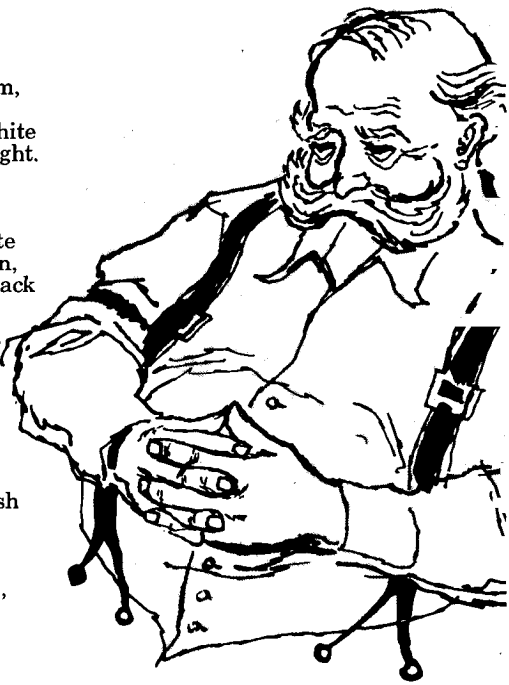


NO DAY OF RECKONING?

or — DEBT MANAGEMENT IN THE AFFLUENT SOCIETY

It was a lazy afternoon
Beneath a cloudless sky.
Old Kaspar settled in his chair
And turned a sleepy eye
On Peterkin and Wilhelmine
Who watched the historama screen.

They saw a crowd of city folks
Within a marble hall;
And one, dressed up like Uncle Sam,
Who stood against the wall
Where papers colored green and white
Were stacked beside him left and right.



And as the busy, pushing crowd
Came past him on the screen,
He'd give them papers colored white
And they'd give him some green,
While helpers worked at keeping track
Of changes made in either stack.

"Now tell us what 'twas all about!"
Cried little Wilhelmine.
"It was a market," Kaspar said,
"Where dollars long and green
Were traded nearly every day
For simple promises to pay."

"When Uncle Sam was short of cash
From current revenues,
He'd stand upon the market floor
And sell some *IOU's;*
And in his youth, so I've been told,
He'd pay his *IOU's* in gold."

"Why doesn't he," asked Peterkin,
"Pay debts in gold today?"
"The Planners showed him," Kaspar sighed,
"A more enlightened way.
When faced with bills and debts galore
He just goes out and borrows more."

H. P. B. JENKINS
Economist, Fayetteville, Arkansas

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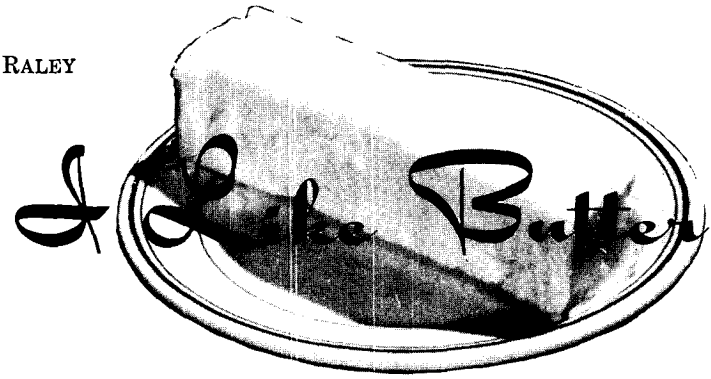
JESS RALEY

I Like Butter



A HIGH REGARD for truth compels me to admit, in the very beginning, that this investigation was motivated by personal, perhaps even selfish reasons. However, the facts illuminated here may be of some interest to you.

The whole thing started because I like butter. Not the type one employs to soften up the boss, preparatory to that important request, but the kind one spreads on bread if he can afford such luxury. I developed a taste for butter in my youth, only to find it beyond my means in these more prosperous middle years.

My helpmate and I have discussed this matter at great length. The whole truth is we could afford to splurge and buy a pound of real butter on special occasions (like Christmas and Thanksgiving if they didn't come so close together), but the genuine article is definitely not a good buy. At 50 per cent above the price of a substitute spread there would be reasonable grounds to mount a defense. At 150 per cent, no. After all, we have to live within a budget, since we have no authority to levy taxes.

To say that I have learned to like it would be rank hypocrisy, but through the years I have learned to accept the fact that a substitute spread is more practical and much more in line with our after-taxes income. That is, I had learned to accept this fact with reasonable good grace until the "down and outers" moved in across the street.

A few days after these people moved in I opened the refrigerator one evening and received a severe shock. Most of one shelf was filled with butter – one pound sticks, stacked like cordwood. After a brief period of confusion, which any family man can visualize

Mr. Raley is a free-lance author, speaker, philosopher from Gadsden, Alabama.
Illustration: A. Devaney, Inc., New York

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better than I can tell, the wife made me understand that the butter was "surplus commodity" and belonged to the people across the street. It seems they received more butter than they could store, so the lady of the house made a deal with my wife for storage space. In return we could use all the butter we needed, since the supply was more than ample and sure to be replenished regularly.

I am, by nature, a quiet, perhaps even meek person, not given to raising my voice any place and especially not in my own home; but this was too much. I counted to ten three times, very slowly, and then erupted. Later I entered the study, shut the door, put aside the critical paper I was doing on classical metaphysics, and began a systematic search for facts in the most provoking matter that has been forced to my attention since TVA.

Actually the "down and outers" are no more than contributing factors, vessels as it were, who have become willing wards of the state. In many ways this particular family appeared to be as nice as one could hope to meet. The wife and five children are sociable and intelligent. The man doesn't beat his wife, gamble away his welfare check, or drink excessively. He takes the family to church, plays with the kids, likes all sports, is always present when surplus commodities are handed out, and will sometimes do odd jobs for people in the community if they promise not to inform the welfare department. Even though they live in an apartment built with tax money, draw monthly checks, obtain food, school books, lunches, and the like from the same source, they are the least repulsive parasites I have met.

At this juncture, I assume you may be about to cast me as a Scrooge; may I assure you such would be a grave injustice. In all truth I have absolutely no quarrel with the gay troubadour – jug of wine, loaf of bread type. It's their life: let them live it. But! When I am forced to pay for the butter that goes on their bread, while having to settle for a less desirable spread myself – that I don't like.

What Really Happens

With all the persistence and order of thought generally reserved for matter and form, I pursued the illusive truth about butter: "surplus commodity" is a misnomer for a product that has been supported off the market. This is what actually happens: Everyone earning a salary is separated from a part thereof by the powers that be. Said powers buy butter with some part of this

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money, at a price well above what it might bring in a free market. Obviously, they are using the people's money to maintain the price beyond those means left to the wage-earner's discretion. This unnatural course of events tends to cause huge accumulations of butter. In casting about for the ideal disposition, the powers apparently decided to add insult to injury by giving the butter to those least likely to have paid any taxes toward its purchase.

In a matter of this magnitude, one must approach the apparent conclusion from every conceivable angle. For this reason I hesitate to submit as absolute truth the apparent fact that the ox has been muzzled by the theory of: "From each according to his ability, to each according to his need."

On the assumption that my reason in this case may have been swayed by my fondness for butter, I launched a minute examination of our tendency toward welfare statism.

According to my congressman, the public has been brainwashed for so many years to accept the proposition that all free-loaders, foreign and domestic, must and should share the fruits of American labor that no sane man would dare raise his voice in protest.

Rabid enthusiasts of the proposition, that all men should lower their aim to conform to the lowest among them, claim that compassion pure and simple is their prime motivation. They insist the way of life which built the greatest country on earth was founded on the preamble of "every man for himself and let the devil take the hindmost." In this enlightened age, they propose to remedy this by herding the win, place, and show entries into the gutter with the "also rans."

The Emotional Appeal

The rapid advance of this theory is due, in part, to the able manipulation of its sponsors and, in part, to the gullible acceptance of "we the people." Armed with the illusion of compassion, the equalizers have shown us the hungry child begging for food, the aged and infirm seeking shelter, the farmer toiling in rags. The burden of responsibility is too heavy, they have said; your government must relieve you of this great weight.

Their noble theory deals in opinions, not facts. It proposes to eliminate want, but without want there is no incentive to strive. It hopes to strike out fear, ignoring the fact that fear of failure breeds pride of success. No one shall know hunger, an enticing phrase, but the ox cares not who fills his manger – the ward of the state is

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little concerned whether his master wears an eagle or a hammer and sickle on his hat. Government is responsible for your welfare; this theory speaks loud and clear. But without responsibility there can be no self-respect. Lack of self-respect removes the opportunity to attain freedom. Freedom alone is able to ignite that vital spark of greatness in men and nations.

All this notwithstanding, the superficial philanthropists continue to preach compassion and win converts: in government, business, labor, education, and particularly among the coming generations. One must admit it sounds good—so good, in fact, I might have been converted had it not been for the butter episode. This caused me to look beneath the surface.

Subverting Our Youth

A tendency of human nature to take the easy path (even though you hate yourself for it), aided and abetted by progressive taxation (to feed the drones), composes a very seductive siren's song. How can the youth of today fail to be tempted to sell their birthright for a bowl of pottage and take a seat on the receiving end of the line?

As a citizen of a Republic, I am unable to conform happily with this wonderful new concept of progress. No doubt the cruel, inhuman, insensitive methods employed by our schools in those Dark Ages of the past are responsible to some extent! Looking back, I can see that many teachers of those days actually encouraged the more intelligent students to "show off" before the dumber ones. In many cases this created a complex among the slower students, causing them to work their brains unmercifully to prove they could learn. Far too often this offensive urge to equal or surpass the leaders of their classes was so firmly instilled in even the laziest, that they found it impossible to stop on graduation day, but continued to drive themselves without mercy to become leaders in business, industry, and politics.

The youth of today are assumed to be most fortunate in that they may enjoy the economic fruits of the old inhuman competitive period without being forced to compete themselves. In fact, we have found in this era of enlightenment that it is kinder to teach the zealous to loaf than to encourage the lazy to work. What better place to start a child right than in the schoolroom? There have been a few disgraceful instances of students rebelling against the utter boredom of this wonderful new system. One such uprising

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was put down masterfully by a principal who forbade a student-organized debating team to compete. He feared the winning team would feel they had presented a better argument than their opponents. We must not allow such seeds to be scattered in our schools if the students are to live happily ever after in the protective shade of this wonderful welfare tree we are growing.

All the advantages of this wonderful new way are sweet to contemplate. The tree of compassion casts a beautiful shade. The element I (old fogey that I am) find most difficult to grasp is: When all have become enlightened and have demanded their rightful place in the shade, who will gather and distribute nectar from the flowers that grow only in the sun? ◈

IDEAS ON LIBERTY

The Better Alternative

THE LESSONS OF PATERNALISM ought to be unlearned and the better lesson taught that while the people should patriotically and cheerfully support their Government its functions do not include the support of the people.

The acceptance of this principle leads to a refusal of bounties and subsidies, which burden the labor and thrift of a portion of our citizens to aid ill-advised or languishing enterprises in which they have no concern. . . .

Every thoughtful American must realize the importance of checking at its beginning any tendency in public or private station to regard frugality and economy as virtues which we may safely outgrow. The toleration of this idea results in the waste of the people's money by their chosen servants and encourages prodigality and extravagance in the home life of our countrymen.

GROVER CLEVELAND, Inaugural Address, March 4, 1893

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TWO VIEWS OF MANKIND

PAUL L. POIROT

WHEN men claim independence, "a decent respect to the opinions of mankind requires that they should declare the causes. . . ." So said certain Americans of 1776, reflecting such high regard for the dignity of individuals as to believe them both worthy and capable of freedom.

Contrast that appraisal of man as a self-respecting and responsible being with the very dim view taken by modern "liberals" who demand government aid and control in nearly every aspect of our daily lives.

If it's true that millions of adult American citizens are incapable of caring for and supporting and educating their own children, incapable of providing their own housing and their own medical care, incapable of paying the full costs of their bus and train and plane fares or the costs of highways and parking spaces for their own cars, incapable of meeting the expenses for light and heat and water and recreational facilities, incapable of operating their own farms or businesses without price support or tariff protection or "urban renewal" or other subsidy, incapable of looking after their own interests in job negotiations without a special grant of monopoly power from government, incapable of providing for themselves in periods of temporary unemployment or in their years of retirement – if it is true that so many American citizens are improvident and irresponsible, incapable of earning their own living and unable to survive except as wards of society, is there any reason why they should be permitted a vote or have any part whatsoever in governing society?

Isn't that the logical next step in the regression from citizenship to serfdom? Or, as one of the "liberal" professors has revealed, "Ours is not a government by the people, but government by government."

So, there are two views of man, and each of us must choose which kind he'll be:

1) Man, as responsible and worthy of freedom, or

2) Man, the weakling, whose life depends on the state's permission or sufferance. ◈

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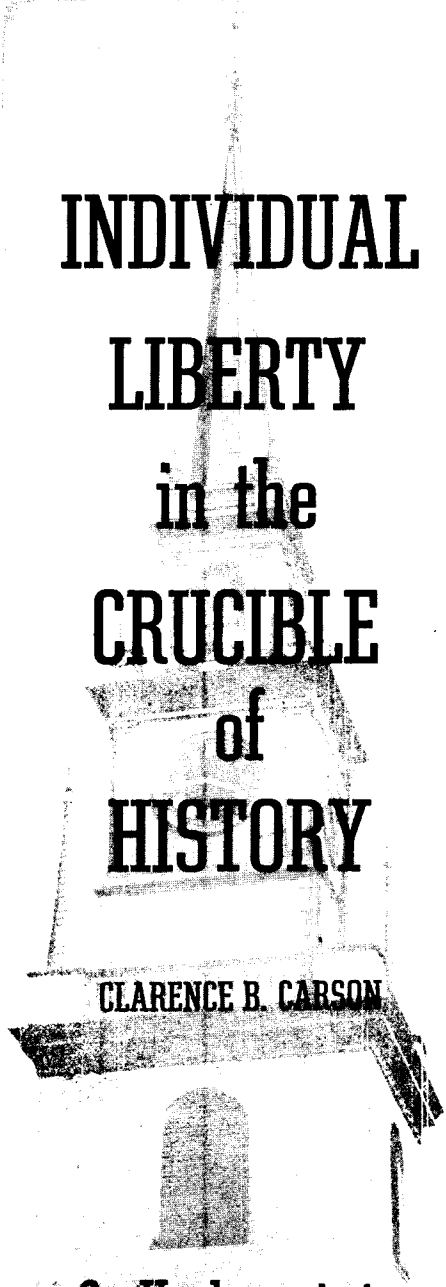
INDIVIDUAL LIBERTY in the CRUCIBLE of HISTORY

CLARENCE B. CARSON



2. Undermining the Foundations

THE IDEAS which would, in time, act as an acid to eat away the intellectual foundations of American liberty made their appearance and began to gain sway over thinkers in the period 1840-1890. Some of these corrosive ideas were not new, but whether new or old they gained impetus from new currents of thought which swept the intellectual world in the latter part of the nineteenth century. Few men living at that time realized that the ideas they were imbibing and sometimes championing would poison the roots of liberty. Few enough realize even today that they have done so.

Yet ideas, once accepted, follow their own internal logic to bend men and events toward their implicit ends, regardless of the intentions of those who hold them. Sticks and stones may break our bones, but words can be even more destructive – they can eat out the very life-giving marrow of the bone, leaving a hull which will crumble at the slightest blow. All of this occurs beneath the surface

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Dr. Carson is Associate Professor of History at Jacksonville State College in Alabama. This is the second in a series of six articles on *Individual Liberty in the Crucible of History*. Next month: "Circumstances Hostile to Liberty."

Illustration: Tower of Old North Church, Boston. A. Devaney, Inc., New York.

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of the ordinary plane of our lives, which is why, when the direct attack upon liberty was made in the twentieth century, we were ill prepared to cope with it.

The task here is to reconstruct historically the way in which new ideas entered the American mind in the latter part of the nineteenth century and displaced those which would have supported liberty. It is doubly important that we do this. In the first place, it will help to pin down the point at which Americans began to stray from the path of liberty. And secondly, it will help to sensitize us to those ideas and conceptions that are antithetical to liberty.

There is no need to gloss over the fact that the history of ideas is a difficult subject. The journey through it can be likened to the fording of a stream with deep waters lying all around and whirlpools swirling beneath the placid surface to suck in the unwary. But there are rewards that justify the effort: there is the pleasure of the recognition of familiar noble ideas which were the product of kindred minds and the at-first painful examination of one's own beliefs and assumptions. Most important, it will help to provide that understanding which is essential to the defense of liberty in this century of ideas and ideologies.

It will be remembered that American liberty was based upon beliefs in the following: natural law, freedom of the mind and will, individual responsibility, and rationalism. These in turn, to borrow from the verbiage of the first article in this series, were given evocative power by the belief that there is a God who imbedded his immutable laws in the visible universe, that the individual has a worth not measurable in human terms, that each individual's good is inseparable from the general welfare, and that liberty is priceless for the individual and socially beneficial. We will focus our attention, then, upon the ideas which tended to undermine these foundations.

Romanticism

A test sample of the intellectual air which men breathed in the middle of the nineteenth century would likely show that the most active ingredient in it was something that we now call romanticism. This romanticism was anything but opposed to individual liberty. Rather, its outstanding spokesmen were probably the most ardent proponents of freedom the world has ever seen. Henry Thoreau refused to pay taxes to a government that acquiesced in the enslavement of human beings. Margaret Fuller wielded her pen in the cause of the emancipation

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of women. Disciples could be found for almost any cause that could lay claim to the purpose of freeing either the body, mind, or spirit of man from those things which fettered or bound it, whether it be temperance, improved treatment of the insane, public education, abolition of slavery, prison reform, emancipation of women, communitarianism, or shorter skirts for women.

Ralph Waldo Emerson's thought can be used to exemplify this devotion to freedom that was typical of many romantics. Emerson exhorted men to be free, to be self-reliant, to plant themselves firmly in their own being, and from that vantage point to stand with or against other men as they were right or wrong. Self-reliance was, after all, an essential prerequisite to the general condition of liberty, but Emerson added new measure to its meaning. A man not only ought to rely upon himself for the necessities of life, but he also ought to rely upon himself for the necessities of the spirit as well.

Emerson believed that knowledge could come by direct intuition, needing no intermediary for its perception. A man who would only have confidence in the eternal truth of that which came to him in this way might have that measure of it sufficient for his needs. To rely upon other men was to stifle the flow of knowledge and would lead only to pale imitation. Why take secondhand that which could be had in the exhilarating newness of personal discovery? Hark not to the voice of society, for it is "in conspiracy against the manhood of every one of its members."[1] Conform not to ancient usages unless they have personal relevance. Abjure the dictations of even intimate loved ones – father, mother, sister, wife – if they be contrary to the nature of the individual. "Whoso would be a man, must be a nonconformist." "What I must do," he said, "is all that concerns me, not what the people think."[2] It would be difficult to state a more uncompromising position on individual freedom.

The immediate impact of the romantic outlook, then, was favorable to individual liberty. Romantics usually venerated creativity and the uniqueness from which it springs, emphasized the importance of choice, opposed force, and stressed voluntarism. If each man was divine, as Walt Whitman said, then he was sacred and his person should be inviolate. No more comprehensive belief could be summoned for the protection of the in-

[1] Ralph Waldo Emerson, "Self-Reliance," *Collected Works of Ralph Waldo Emerson* (New York: Greystone Press), p. 17.

[2] *Ibid.*, pp. 17-18.

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dividual. Further, the romantic outlook rehabilitated faith and revived idealism.

Rejection of Natural Law

But romanticism opened the door to beliefs which undercut the foundations of the belief in reason and natural law. As a movement, romanticism was, in part, a reaction to rationalism, or to its excesses. Romantics were less interested in law than in the spirit behind the law, much more concerned with Nature than with any state of nature, more likely to be subjective than objective. In their quest for the natural they were led backward to the primitive and primeval, to the irrational origins of habits, customs, and institutions. Their researches, studies, and imaginations drove them toward the conclusion that human activities and institutions rest upon desire, instinct, and custom rather than reason. And, since they had come to adore nature, they were precommitted to a preference for these irrational explanations.

European thinkers particularly were turning away from natural law and reason. Philosophers and scientists began to proclaim other grounds for human behavior. Schopenhauer, as one writer puts it, saw the prime mover of man as "Will, the dark and blind urge . . . . the will to live without any definite aim or purpose . . . ."[3] Nietzsche believed that the "will to power is the only meaning of life . . . ."[4] Freud exposed the power of the sexual urge in human behavior; Marx would explain thought by the material conditions of society; Frazier explored the role of myth in social beliefs, and so on. In a stimulating study of the major European thinkers from 1890 to 1930, H. Stuart Hughes says, "Unquestionably the major intellectual innovators of the 1890's were profoundly interested in the problem of irrational motivation in human conduct. They were obsessed, almost intoxicated, with a rediscovery of the nonlogical, the uncivilized, the inexplicable."[5]

Darwin and Evolution

Into the midst of this disenchantment with reason came the Darwinian concept of evolution, the most stimulating intellectual discovery since the seventeenth century. No thinker of stature could avoid coming to terms with evolution, and many were soon embroiled in working out its im-

[3] Hans Kohn, *The Twentieth Century* (New York: Macmillan, 1957), p. 47.
[4] *Ibid.*, p. 48.
[5] H. Stuart Hughes, *Consciousness and Society* (New York: Alfred A. Knopf, 1958), p. 35.

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plications. If accepted, the theory of evolution entailed a new conception of reality. It supplanted the stable, orderly, rational universe of Newton with an evolving, changing, nonrational universe. Change, not order, became the clue to understanding reality. Natural law – that is, a fixed order in the universe – became meaningless to a thoroughgoing Darwinian. Natural rights, if such a concept persevered, could have meaning only as they were related to a particular stage of evolution.

Darwinism offered the possibility, at least, of accounting for things without a creator. It offered a naturalistic account of the origin of life, of the source of change, and of the direction of development. It appeared that material objects could be accounted for in terms of their derivation from earlier material objects. Change took place by a gradual evolution.

Theories proliferated purporting to account for the force which produced change: such explanations as natural selection, sexual selection, the quest for available goods, and so forth. At any rate, matter and force were reckoned by many to be the most important constituents of reality. Even man himself was reduced to these constituents.

Jacques Loeb, a German biologist who came to America, said: "Living organisms are chemical machines consisting chiefly of colloidal material . . . ."[6] Ernst Haeckel held, as one historian describes it, that "man's mind as well as his body, together with all animal and vegetable species, has been evolved from protoplasm which arises from nitrogenous carbon compounds by spontaneous generation."[7] Lord Arthur Balfour declared, "Man, so far as natural science by itself is able to teach, is no longer the final cause of the universe, the Heaven-descended heir of all the ages. His very existence is an accident, his story a brief and transitory episode in the life of one of the meanest of the planets."[8]

The Relativity of Knowledge

While some of the above quotations are extreme, they do indicate the tendency of the impact of Darwinism upon thought. Matter, force, change, relation, and primitive desire were replacing the belief in reason, order, permanency, and transcendental ideals. Some thinkers were reduced to a belief in the "persistence of force and the relativity of knowl-

[8] Quoted in Randall, *op. cit.*, p. 581. *Making of the Modern Mind* (Boston: Houghton Mifflin, 1940), p. 479.

[7] Carlton J. H. Hayes, *Contemporary Europe Since 1870* (New York: Macmillan, 1958), p. 207.

[8] Quoted in Randall, *op. cit.*, p. 581.

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edge. . . ."[9] In short, when the Darwinian outlook was accepted and consistently followed, ideas dependent on the older view—natural rights, immutable law, human reason, the worth and dignity of man—had to be rejected.

It is one thing, however, to show that a few "advanced" European thinkers held certain ideas; it is quite another to show the general acceptance of these ideas in America. The logical tendency of an idea can be shown much more easily than can the fact that men made such interpretations. It is proper to doubt that such deep ideas have popular impact.

Yet leading American thinkers did, in time, shift with the current of Darwinian thought and accept its major tenets. (And this acceptance did in the course of time have a full impact upon American society, a point which will be more completely established in a later article.) There is now a considerable literature on the subject provided by intellectual historians. Anyone interested in tracing the influence of Darwinism on American thought should read either the whole or appropriate sections of the following: Richard Hofstadter's *Social Darwinism in American Thought,* Stow Persons' (editor) *Evolutionary Thought in America,* Stow Persons' *American Minds,* Oscar Cargill's *Intellectual America,* Alfred Kazin's *On Native Grounds,* and Richard D. Mosier's *The American Temper.*

Our purposes can be served by indicating how Darwinism was used by Americans to undermine the beliefs in freedom of the mind and will and of individual responsibility.

Individual Liberty Rests on Premise of Self-Control

Individual liberty and individual responsibility are premised upon the possibility of man originating and controlling his behavior. It is essential to them that man be the most important determinant in human action. Darwinism, however, provided bases for ideas which made of man an automaton, a mere twig, as it were, caught in the current of a stream, driven by forces uncontrolled by him toward impersonally determined ends. In short, evolutionary theories gave birth to or buttressed a host of deterministic theories: economic determinism, biological determinism, environmentalism, naturalism, and social determinism, among others. It did this by bolstering the organic conception of society, the animality of man, the materiality of reality,

[9] Richard D. Mosier, *The American Temper* (Berkeley: University of California Press, 1952), p. 251.

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and the importance of external force.

Economic determinism was not new as a theory to the latter part of the nineteenth century, but it was reformulated and given momentous aid by new currents of thought. Karl Marx gave one of the most dogmatic formulations of it. He maintained that the origin of the structure of a society could be traced to the methods of production carried on in that society, that these determined the social order, and that "it is not the consciousness of men that determines their existence, but, on the contrary, their social existence determines their consciousness."[10] Marx declared that Darwin's discoveries provided him a basis in natural science, and books by Darwin and Marx were sold from the same shelf in socialist book stores.[11]

Economic determinism had its votaries in America, particularly by the beginning of the twentieth century. E. R. A. Seligman declared that to "economic causes must be traced in the last instance those transformations in the structure of society which themselves condition the relation of the social classes and the various manifestations of social life."[12] It was among historians, however, that the theory flourished. Brooks Adams tinged his account with a pessimistic fatalism, but saw economics as the key to civilization. But it was Charles A. Beard, with his seminal work, *An Economic Interpretation of the Constitution,* who drove the sword of economic determinism into the very heart of a major source of American liberty.

Biological determinism need not delay us much. Suffice it to say, this is the view that man's actions, thought, and development are determined or limited by his heredity. It did spur, among other things, the development of intelligence tests which are founded on the assumption of inherited capacity and limitations for learning. It also led to the investigations of glands which brook large in some explanations of behavior. But it was environmentalism which became the most important explanation of human behavior.

Environmentalism

The most extreme statement of environmentalism was made and popularized by an American, John

[10] Quoted in Morris Hillquit, *Socialism in Theory and Practice* (New York: Macmillan, 1909), p. 63.

[11] See Richard Hofstadter, *Social Darwinism in American Thought 1860-1915* (Philadelphia: University of Pennsylvania Press, 1944), p. 95.

[12] Quoted in Henry S. Commager, *The American Mind* (New Haven: Yale University Press, 1954), pp. 305-06.

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B. Watson, in 1913 and the ensuing years. He called it behaviorism. The foundations for it were in the mechanistic and materialistic philosophies of the nineteenth century, however, and Watson's theory was bolstered by the results of the experiments in conditioning performed by the Russians, Vladimir M. Bekhterev and Ivan P. Pavlov. In brief, behaviorism is the belief that animal (including man's) behavior is the product of stimuli from the environment and the responses to them. So adequate was this explanation, Watson thought, that once sufficient human behavior had been observed, the behaviorist could, "given the stimulus . . . predict in advance what the response will be; or, given the response, he will be able to state what situation is calling out the reaction."[13] There is no room in such a theory for free will.

These ideas were brought to a wide audience by way of imaginative literature. This literature produced under the influence of deterministic theories is usually referred to as naturalistic. Naturalists consider man a product of his heredity and environment, an animal caught in the powerful web of circumstances which he is powerless to overcome. As one writer says, "For the naturalists . . . men are 'human insects' whose brief lives are completely determined by society or nature."[14] In America, naturalism was the dominant *motif* for Stephen Crane, Frank Norris, Theodore Dreiser, James Branch Cabell, Joseph Hergesheimer, Jack London, and James T. Farrell. Cabell put the importance of life in this way: "Living is a drab transaction, a concatenation of unimportant events; man is impotent and aimless. . . ."[15]

"Rugged Individualism"

There were many different interpretations of Darwinism, not all of them deterministic. And, it should be added, most Americans did not rush out to acquire and use these theories. Yet they did enter into the stream of American thought, and have practical import. Perhaps this entry can be demonstrated by the phenomenon known as "rugged individualism," a conception which originated in the latter part of the nineteenth century so far as I can make out.

Rugged individualism was the bastard offspring of an illicit union between the belief in indi-

[13] "Behaviorism," *Encyclopaedia Britannica*, III, 328.

[14] Malcolm Cowley, "Naturalism in American Literature," *Evolutionary Thought in America*, Stow Persons, ed. (New York: George Braziller, 1956), p. 331.

[15] Quoted in Commager, *op. cit.*, p. 118.

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vidual liberty and Darwinian evolution interpreted deterministically. On the surface, it appeared to be a continuation of American individualism. Actually, however, it was flawed to its very core by determinism.

This can be demonstrated by the thought of the leading American academic exponent of rugged individualism, William Graham Sumner. Sumner, who was a disciple of Herbert Spencer, made his initial impact as an exponent of liberty.. He opposed attempts at governmental regulation of or interference with the economy, favored free trade and an absolute maximum of individual liberty, castigated reformers as impractical, and venerated individual responsibility.[16] Yet Sumner's views were increasingly vitiated by determinism. As he turned to the study of primitive societies he moved toward a "rigidly deterministic view of societal evolution."[17] Sumner's own words show that he did not believe in man's freedom:

> The great stream of time and earthly things will sweep on just the same in spite of us. It bears with it now all the errors and follies of the past, the wreckage of all the philosophies, the fragments of all the civilizations, the wisdom of all the abandoned ethical systems, the debris of all the institutions, and the penalties of all the mistakes. It is only in imagination that we stand by and look at and criticize it and plan to change it. Every one of us is a child of his age and cannot get out of it. He is in the stream and is swept along with it.[18]

Indefensible Positions

There is no purchase on rugged individualism from which to defend individual liberty. Individualism was nothing more than a stage in the process of evolution. When conditions changed – those conditions which at that stage moved individuals to compete and to make progress – then a new organization of society would evolve and have to be accepted.

To the casual observer, American liberty must have appeared to be entrenched and secure in 1900. William McKinley, a man little apt to change the course of things, was re-elected to the Presidency. Social reformers were stymied: populism appeared to be dead; William Jennings Bryan, with some radical ideas, had been repudiated; Eugene Debs, with his tiny socialist following, hardly

[16] See William Graham Sumner, *What Social Classes Owe to Each Other* (New York: Harper, 1920), *passim.*

[17] Hofstadter, *op. cit.*, pp. 133-34.

[18] William G. Sumner, "The Absurd Effort To Make the World Over," *American Thought: Civil War to World War I*, Perry Miller, ed. (New York: Rinehart, 1954), p. 104.

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menaced the Republic. Yet beneath the surface the foundations of liberty were suffering erosions from the bombardment of new ideas. Americans were imbibing beliefs which could not be used in the defense of liberty.

Liberty Without Foundations

Let us examine, imaginatively, attempting to defend liberty with the intellectual equipment that was being purveyed at the time. Suppose the individual when pressed to defend his liberty should claim that it was founded in natural right. But where in the changing universe of Darwinism would one find any basis for natural rights? Man never existed in a state of nature according to the latest anthropological findings, the man would be told. Rights are relative to the conditions of the time and the stage of evolution of the culture.

But surely, a man might argue, reason will support my rights. Already, however, there were men who taught that what appeared to be reason was nothing more than self-serving rationalization. Conscious thought plays too small a role in men's actual thought, said psychologists, to be granted much of a hearing. What really moves men is passion, desire, hunger, greed, and avarice. Americans were beginning to be taught to look beneath the stated reason for the "real" (i. e. subjective) explanation for what men said. Suppose a man were to give in and claim his liberties on the ground that he *desires* them, he would be defeated before he began. Where desire is the arbiter, when desires conflict, the appeal must be to force or power. In the United States, of course, the veiled force of the majority was substituted for the brute force of the mob.

In the new outlook, was there nothing to which the individual could appeal by right? No! Not in theory, though he might still be protected by the vestigial remains of liberties which had been institutionalized. Idealism has no place in a material universe; right is a useless concept in a world governed by force; voluntarism is a quaint notion if necessity actually rules in human affairs. There is no need to look for any protection for individual liberty in irrationalism, relativism, materialism, determinism, subjectivism, or organicism. It was these very ideas which undermined the foundations of liberty in America. ◈

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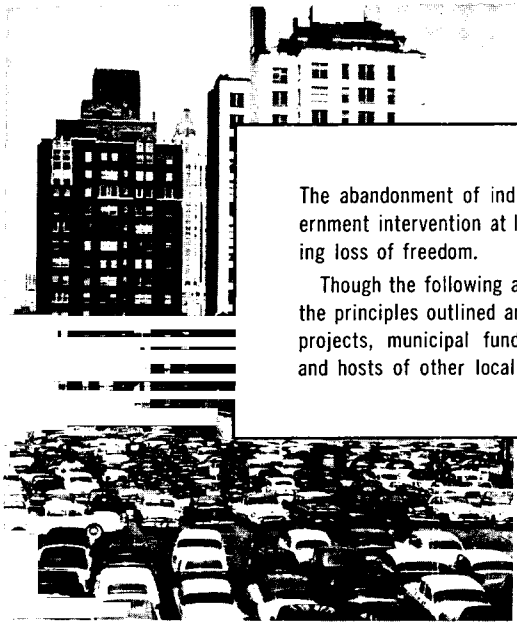

The abandonment of individual responsibility accounts for growing government intervention at local, state, and federal levels, with corresponding loss of freedom.

Though the following article deals primarily with the parking problem, the principles outlined are equally applicable to various "urban renewal" projects, municipal fund-raising to attract private business ventures, and hosts of other local experiments in compulsory socialization.

WHAT PRICE PARKING?

E. W. DYKES

THE FEDERAL GOVERNMENT has not yet offered a specific solution to the parking problems plaguing residents in many cities throughout the land. But this would seem to be a probable area of concern to such a federal Department of Urban Affairs as has been proposed.

Meanwhile, a number of municipalities already have entered the off-street parking business, while other cities now — or soon may — face the prospect. That government parking is socialistic is too obvious to deserve argument here. Nor do most of the advocates of city parking facilities need further instruction concerning the relative merits of free enterprise over socialism. Our purpose, rather, is to review how city parking developed and to expose inconsistencies in the arguments of those who pretend to stand for free enterprise while advocating such downtown socialism.

"Downtown" is the kind of a shopping center that was once consistent with the private and other means of transportation and communication then available. Retail businesses were located side by side to be readily accessible to one another's customers. Walking customers appreciated the opportunity to shop around in one locality

Mr. Dykes is an architect in Canton, Ohio.
Illustration: A. Devaney, Inc., New York

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for quality and price comparisons.

The advent of the automobile brought no sudden change, and it was years before most storekeepers sensed the full import of this new mobilization of customers. Even as the problem grew plainly and painfully evident, few retailers were moved to do anything about it. Why should they? People had to shop downtown! Where else? Competition had not yet forced an adjustment. Not until uptown and suburban shopping centers had developed in record numbers did downtown merchants seriously consider the parking problem. And then, the easy temptation was to ask the city government to do the job. Thus, in our time, do so many erstwhile exemplars of free enterprise realign themselves among the "special interests." Not that they would openly admit self-interest; their stated concern is for "all the people" and the need for quick action "to save the city." Their arguments run like this:

1. The taxable values of downtown will decline, depriving the city of needed revenue.
2. Private parking lots are poorly placed and inadequate; since parking is needed in specific locations, only the city through eminent domain can obtain the proper sites.
3. Private lots generally work on short term leases with no assurance that they will last through the years.
4. Cities with street parking meters already are in the parking business.
5. The retailers and other businesses cannot afford to build parking facilities.

Decline of Taxable Values

The argument that downtown values will decline, with tax losses to the city, seems particularly persuasive against City Councilmen and the general public. They seem to forget that it never has been or will be the main function of any business enterprise to provide revenue for the city or any other tax collector. Also overlooked is that the central business district in a typical city usually bears only about 15 per cent of the municipal tax burden. If the values of existing downtown properties were to decline by 20 per cent and if no new values were created either downtown or elsewhere in the city and if the tax assessor were to recognize this decline, then the total tax loss resulting from downtown deterioration would be only 3 per cent of the city's revenue. Such a loss would pose problems, of course, but such problems are scarcely of the magnitude so widely proclaimed in the absence of figures. It is not the sort of a

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crisis that demands action without full consideration.

Furthermore, studies conducted by the Urban Land Institute reveal that the cost of servicing downtown areas generally exceeds the taxes collected from those areas – a possible reason why a city might want to do away with downtown instead of renewing it.[1] However, such a decision, if left to the market place rather than City Hall, allows individuals to support downtown's high costs with their own money if they so desire.

Finally, if the friends of downtown are sincerely concerned about the city's loss of tax revenue, let them insist that the tax appraiser list the properties at their true market value rather than the ridiculously low figures now used in so many areas.

The Problem of Location

The argument that private parking lots are poorly placed seldom comes from those who have their money in the parking business. Market considerations determine the placement of parking lots by private owners. Such owners undoubtedly try to get the best possible locations, depending on the availability and the cost of the property, and the probable use of the facilities to be provided.

The proponents of eminent domain contend that parking lots should be located in some precise relation to the business pattern. But what they say in effect is: "Our businesses are more important to us (and to the 'public good') than their businesses are to the owners we would displace in order to establish parking lots. The fact that they might not want to sell is unimportant; under eminent domain they get paid what the court decides is a fair price and we get the parking lot."

Periods of Peak Demand

The charge that private parking lots are inadequate is based in part on the fact that the lots (poorly placed though they be) sometimes are filled. This makes them just like any other business in which there may be certain peak periods of temporary demand. If it were economically feasible to have facilities enough to serve such peak demand, it would be done. It is no more reasonable for the city to build parking lots to care for peak loads than it would be for the city to build banks to prevent having to stand in line to make a bank deposit.

In this automobile age, any loss of business in downtown areas for lack of parking space is the prob-

[1] One of the high costs is for the fantastically expensive freeways through downtown areas, the need for which might soon disappear if the current evolutionary pattern persists.

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lem of those who are losing business and who are unhappy about it. If downtown merchants failed to advertise, they also would lose business and downtown properties would lose value. Yet, no one proposes that the city start a newspaper to carry subsidized ads for the failing merchants. Nor has it been suggested that the city offer an advisory service on downtown merchandising and displays in order to attract lost business and uphold taxable values. It is simply proposed that the city provide parking space, on the grounds that cities are doing it and that leading citizens have given months of study to the matter.

That there is no guarantee of the permanency of private parking locations is true enough. No business can guarantee its permanency. A privately operated parking facility will be available only so long as it is economically justified and pays its way. Restaurants, banks, dairies, and other businesses eventually close if they fail to show a profit. So do parking lots.

We Can't Afford It

To point out the socialistic character of city-operated parking lots often brings the rejoinder that the city already is in the parking business with street meters. But in this kind of a game of words, it may be possible to point out that the city is not yet in the *parking lot* business. Whether streets should be used as parking places is another question.

The argument that merchants can't afford to build parking facilities, either as a current outlay or with borrowed funds, raises serious doubt about the advisability of calling on the citizens to do it for them. In a free market, the price of a product either covers all costs for labor, materials, taxes, transportation, advertising, and other overhead, plus a profit for the seller, or else he is eventually out of business. If parking is necessary to the business, the price of the product should be sufficient to cover the cost of the parking space.

The name of a familiar city often creates a mental block: in their mind's eye, people see the downtown buildings and unconsciously assume that downtown *is* the city. But downtown is neither the city nor the city government, and merits no more consideration from city government than does any other interest. Downtown is merely a shopping center in which appear retail, wholesale, and service industries in competition with one another and with others in the city and its suburbs. City governments, established primarily to assure to all the equal protection from violence and other illegal practices, tread on thin ice

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when they start protecting a select group from the rigors of competition. Businessmen who urge the city to do that are turning their backs on the system of competitive private enterprise that they otherwise strive to preserve. How long can they expect their own enterprises to last who continually look to government to bail them out of competitive pressures? How can one respect a self-righteous prohibitionist who always keeps a flask handy in his hip pocket?

Consider the plight of the privately operated parking lots if the city enters that business. If city owned lots are established, any success they show must be in part at the expense of privately operated lots, which are not always full, even in the cities supposed to have the most serious parking problems.

If the city enters the parking lot business, it probably would frighten away any new private facilities, for an owner never would know when the city might decide to "sit down beside him." In that event, the discovery that both ventures are losing propositions would come too late. Then would come the attempt at salvage, the inevitable price-cutting, the private competitor eventually losing out to the tax-supported venture. The more the private operators are thus squeezed, the greater grows the "need" for expanded city facilities – an irreversible process. Once the city enters the parking lot business, it should be prepared to assume responsibility for meeting all parking needs.

Tax-Exempt Municipal Bonds

If new parking lots really were needed, and could compete successfully with present lots, businessmen should have no fear of putting their own capital to that purpose. Instead, many are saying that the costs of providing parking are too high for them, but that someone else should be willing to do the job. Unwilling to invest their own money in taxpaying parking lots for taxable profits, they think others will want to invest in tax-exempt municipal bonds for tax-exempt parking facilities in the same towns with the same problems and chances. This aspect of the problem deserves careful attention.

Tax-exemption of municipal bonds serves to direct investment funds into channels which cannot and will not contribute to the growth of private enterprise or help preserve a free market economy. Moreover, the exemption granted city-operated businesses merely transfers more of the total tax burden onto the taxpaying

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private enterprises that remain. The heavily taxed individual, attracted by the prospect of tax-free income from municipal bonds, often fails to see that he is paying for it all in the end. If all investment income were taxed equally — or were equally exempt — then each investment opportunity could be judged strictly on its own merit. Meanwhile, it would seem wise to limit municipal bond issues and rely primarily on private enterprise in a free market to guide investments into proper channels — namely, those which most efficiently serve the ever-changing demands of consumers.

Providing Parking Space Is a Cost of Doing Business

One thing consumers demand today is parking space, which makes parking a part of almost every businessman's problem. If consumers will not support higher prices for the privilege of parking and shopping downtown, then the need for downtown is open to question.

To inject the power of government into so highly competitive a situation is bound to influence the course of enterprise. Suppose, for instance, that in the face of the competition between automobiles and horses early in this century, society had intervened to prohibit autos on highways or to subsidize blacksmiths. Either step could have slowed progress for who knows how long. Was it wrong to leave that worthy citizen, the blacksmith, at the mercy of the advancing auto industry and the consumer?

In the competition between merchants today, with the automobile an important factor, the free market should be relied upon to guide the outcome. This may mean that some merchant downtown will not make the grade, and will go the way of the blacksmith who couldn't compete. Such weeding out of failures is a vital function of a free market, and the soundness of an economy depends upon it. If downtown is not the proper place for a shopping center, artificial preservation only prolongs an unfortunate situation.

The regional shopping center is proclaimed by many as the wave of the future, but such a prediction is hazardous in our rapidly changing times. For all I know, we soon may be shopping by color television for deliveries by pneumatic tube. Fantastic? Perhaps, but who would have believed 25 years ago that you could sit in your own home and see a Broadway production in full color at the instant of its performance? If society had urged its protective agency, the government, to interfere in the competition between

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radio and television, it is likely that TV might still be a dream instead of commonplace in the household.

Where Does It End?

The basic question is this: Just what problems of its citizens ought a city government not attempt to solve? If it is proper for government to enter the parking business to preserve taxable values, why shouldn't it also enter the advertising business, advise merchants on purchasing and sales techniques, furnish attractive new store buildings, and help in a hundred other ways to raise taxable values to gain more revenue to do more things for more people?

The costs of government per person in the United States have advanced from less than $20 in 1900 to about $800 today – the lengthening shadow now covering more than a third of typical family earnings. A local businessman might laugh at the infinitesimal additional tax cost for municipal parking lots in his town. Yet, the total cost for similar facilities in all cities, plus the cost for federal and state and municipal aid for all other projects that could qualify under the parking-lot principles he endorses, surely will lengthen the shadow significantly.

The best control one has over such things is in his own city. If he has principles, there is nowhere else to apply them. How can free people remain free if they persist in forging their own chains? Only as we assume full responsibility for our own selves and our own problems do we count as defenders of a free society – entitled to its blessings. ◈

IDEAS ON LIBERTY ***The First Duty of Citizens***

IT IS PROPER to take alarm at the first experiment upon our liberties. We hold this prudent jealousy to be the first duty of citizens. . . . The freemen of America did not wait until usurped power had strengthened itself by exercise and entangled the question in precedents. They saw all the consequences in the principle and they avoided the consequences by denying the principle.

JAMES MADISON

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"Problems of Democracy"

WHEN the Committee for Economic Development and the American Economic Association combined to set up a National Task Force on Economic Education with a view to prescribing a minimal economics program for high school students, their choice of a panel favored a rather eclectic type of Keynesian. Heading the panel was George Leland Bach, whose own textbook, *Economics: An Introduction to Analysis and Policy* (published by Prentice-Hall), contains the statement that "you may not like having the government so big, but there it is." (Meaning that Professor Bach is not a man to argue with a trend.) And supporting Bach was Paul A. Samuelson, Economics Professor at the Massachusetts Institute of Technology, who changes his mind on the annually permissible amount of inflation as one edition of his textbook succeeds another.

As might have been expected from anything bearing a Bach-Samuelson imprimatur, the report issued by the National Task Force ("national" by whose majority vote?) and published by the Committee for Economic Development, for sale at $1.00 a copy, is a flabby document. Called *Economic Education in the Schools,* this document virtually denies in every important line that there can be either a science or a useful art of economics. In the guise of being "objective," it announces that economics is a matter of choosing between goals. This might seem unexceptionable, for choice is indeed at the bottom of economics. But when it comes to the discussion of the goals themselves, the Task Force throws everything into the laps of the prospective high school economics students. *Any* goal is, presumably, acceptable. You pays your money and you takes your choice, and the usefulness of economics as a study is to provide a "rational" and "objective" means of justifying whatever it is that you happen to think anyway.

The effect of the recommendations in *Economic Education in the Schools* is to encourage a rather low cunning in the approach to "who gets what, when."

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The axiomatic assumption underlying the Task Force report is the relevance of relativism: "the strangest things at Kew are the truths of Katmandu." Since most economic systems are, in more or less lamentable practice, "mixed," the relativistic view prescribes no particular degree of mixture. It all depends on what your "goal" is. If you want a bigger "public sector," why it's your right, and you can vote for it at the polls, if not in the market place. If you don't think that rewards should go commensurately to those whose abilities or capital resources are in a position to earn them by contributing to the economic process, just write a letter to your Congressman and ask for a forcible redistribution of the "national" income.

As Ralph W. Husted, former President of the Indianapolis Board of School Commissioners, has suggested in a notable pamphlet, *The Teenage Mind and Analytical Objectivity* (Vincent Press, 145 Hudson Street, N. Y., 20 cents), the Task Force has hopelessly confused the issue by failing to draw any clear distinction between the economic concept of effective demand and the purely political concept of the "broadly felt social need." The result is that the Task Force's actual recommendation to high school students is that they sign up for more "social studies."

To the Task Force "economics" is not something that has primarily to do with the market; it is something that has to do with pressure groups. The "broadly felt social need" may be virtually anything at all. In the case of the "felt need" for guided missiles or a Distant Early Warning system, it may be what a vast majority of the population wants. In the case of a wheat subsidy, it may be what a majority of wheat farmers, in itself a minority of the whole population, may be able to conjure out of the Senate and the House of Representatives by judicious rolling of a few hefty logs. Finally, in the case of compulsory social security, it may be what the Machiavellian manipulators of the dictionary slipped over in the mid-nineteen thirties in the name of "insurance" (which it doesn't happen to be).

The Task Force report, in denying that there can be a science or a useful art of economics, involves itself in a social *non sequitur* when it recommends the study of economics to high school students. What it is really recommending, of course, is that the student be given a more sophisticated drenching in the sort of thing that goes under the generic name of "problems of democracy."

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It is a "problem of democracy" that people no longer regard themselves primarily as individuals, but as communicants in groups whose objectives are best forwarded by a due regard to the art of back-scratching. It is a "problem of democracy" that farmers want to have it both ways when it comes to dealing with the facts of the Industrial Revolution: they want the cost-cutting benefits of mechanized equipment without yielding a snitch in price when it comes to selling their final product. Again, it is a "problem of democracy" when a labor union, having fastened an "industry-wide" clamp on a basic segment of the economy, insists on a raise in wages without regard to productivity.

Naturally, your relation to any "problem of democracy" depends on where you happen to be situated in the grand politicalized scramble. In the case of the high school student, who is presumably to be taught how to be "rational" and "objective" in his "analysis," the "problem" will depend largely on where his parents sit. All of which means that to carry out the Task Force's recommendations for the high schools involves a trifling with high social explosives. If the senior year course in "problems-of-democracy" economics should decide, "rationally," that this-or-that back-scratching group is getting its own backs scratched altogether too pleasurably, the yowls from "labor" parents or "farm" parents or "banker" parents would almost certainly intimidate any school board into weak-kneed retreat. So we would be pushed back to eclecticism: anything goes, provided it is what you may choose to vote for by ballot at the polls. As for the concept of "effective demand," which could be taught, it would be too crass to limit economics to preoccupation with any such thing. The members of "underprivileged" pressure groups might be insulted.

Because "modern" economics is all mixed up with highly politicalized questions of countervailing powers and welfarist donations and "progressively" taxed incomes and gifts-to-tribal-factions-in-the-tropics and "investment"-in-Soil-Banks and labor-productivity - that - ignores - inventor - and - investor - productivity, it is hardly to be wondered at that the Task Force doesn't know how to present its subject as either a science or a useful art. To have a science, one must know how to describe a basic unit of measurement. And to have an art (which proceeds from the application of choice in a less-than-random way), one must first define one's medium. In the maze of Bach-

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Samuelson economics, there can be no unit of measure, and the medium would defy anybody to set up its boundaries.

Since the state is in virtually everything today, the only relevant subject is politics, including the politics of getting the state out of things. Well, there used to be the subject of *political* economy – so why not teach it once more, whether in the high schools or in college? Alas, the project is beyond us. For the old-fashioned political economy assumed that man had a nature, and that it was in his nature to wish to be free. In the modern age of "anything goes," man has no specific nature, and it is purely an arbitrary question of "goals" whether he should or should not be free, even if he has the temerity to think he might possibly wish it.

But shouldn't those high school students be taught *something?* Well, why not let them read *The Federalist*? Or, simply, why not give them an old-fashioned text about the factors of production and the economics of the firm, and let them go on from there for themselves with a warning that the politics of a "gimme" age has complicated everything and that it is their problem to get out of the moral *cul de sac* as best they can. Such curtness might wake a few of them up. ◈

▸ SCHOOLS WEIGHED IN THE BALANCE, Staff Study for the Association for Christian Schools, 1962. Houston, Texas: St. Thomas Press, P. O. Box 35096. viii, 63 pp. $1.95.

Reviewed by Rev. R. J. Rushdoony

THIS IMPORTANT and timely study does not attempt to give a philosophy of education but is rather "an analysis of the problems connected with the control of schools." As such, it is an excellent and pointed report on what may be the major sector in today's battle against statism.

State supported and controlled schools were not part of the American republic in its origin; they appeared a couple of generations later as a result of European, and predominantly Prussian, influence. They were viewed as a device for social salvation, both here and abroad. Jeremy Bentham, English utilitarian, held that "if we can get universal and compulsory education, then by the end of the century all our political and moral problems will have been solved." Politicalized education is an accomplished fact in most countries, America is "the last surviving area of resistance."

In the United States today, both private and church-connected schools are making major headway against state schools, and the

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likelihood is that their rapid growth will be stepped up.

Meanwhile, "public" education grows steadily more statist, the creature of "politics in the worst sense of the word." Between 1948 and 1958, the number of school districts was reduced from 106,000 to 48,000, the consolidations being made in the name of efficiency but actually serving to reduce local control. The current demand for federal aid (and control) aims at further nationalization of the schools.

The basic question, effectively posed by *Schools Weighed in the Balance*, is this: To whom does the child belong – to the state and its educators, or to the parents under God? The conviction that state control of the child's education is collectivist in tendency and integral to a socialist order is plainly set forth, and the study is dedicated to the cause of a "wall of neutrality between school and state."

The study is a major challenge to libertarians. It is good that we oppose statism and the drift into socialism, but the opposition is futile if this major battleline – education – is neglected. Here a practical, effective, and thus far victorious battle is being waged. If the state can own and socialize our children, then it most certainly can own and socialize our property. If we surrender our children to the state and its schools, how can we then dare to consider our property our own, having already conceded the major front? And how can God's blessing be invoked in the battle against statism, if the most important point of battle, the child, is callously surrendered to the state?

Before libertarians go any further, they need to face up to these questions. A hard-pressed but still successful battle against the enemy is being fought by private and Christian educators, ably represented in this study. Our relation to this cause will be indicative of the honest measure of our concern over statism. ◈

▶ THE ADAMS PAPERS, Volumes I-IV. Cambridge: The Belknap Press of Harvard University Press. $30.00.

Reviewed by Robert M. Thornton

THE SHELVES of public libraries are stocked with biographies and studies of Washington and Jefferson, but John Adams has been neglected. Adams served his country in many capacities for over twenty-five years – before, during, and after the Revolution – but no monuments have been erected in Washington to remind us of his great achievements. It is indeed gratifying, therefore, to see, at

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last, a new edition of the literary works of John Adams, second President of the United States of America.

The four volumes that have just appeared, consisting mainly of John Adams' diary and autobiography, are only a beginning. The Adams papers, which include material that extends well into the twentieth century, were given to the Massachusetts Historical Society in 1956 by the Adams Manuscript Trust. This edition, when completed, will consist of 80 to 100 volumes containing the papers of John, John Quincy, and Charles Francis Adams, the first three generations of this remarkable family, the cutoff date for materials to be included being 1889 when Abigail Brooks Adams, wife of the first Charles Francis, died. The one previous edition of John Adams' works dates back over one hundred years!

It would appear to this writer, an acknowledged layman in such matters, that Mr. L. H. Butterfield, Editor in Chief, and his staff, have done a superb job. Even for trained scholars it is no easy task to read, sort, and edit thousands of pages of manuscripts, many of them almost illegible. The job of annotating is well done – comprehensive but not distracting. The editors have made every attempt to offer these papers pretty much as they were written. Misspellings and minor errors stand, except for those that would be unintelligible unless corrected. But even more important, the editors have not attempted to whitewash any member of the Adams family. Nothing has been deleted to make them appear better or wiser men than they were. Following the lead of Charles Francis Adams when he edited a collection of his grandfather's letters, they allow the reader to form his own opinion rather than make one for him; they seek to develop his judgment, not control it.

It is hoped that publication of these four volumes of *The Adams Papers* will spark an interest in the public career of John Adams, first of the family to become famous and one of the greatest of the Founding Fathers. True, he was vain, ambitious, and ill-tempered, but all these faults can be forgiven in an "intensely honest" man, a man of integrity. How great is our need for men in public life who will speak the truth as they see it, whatever the consequences! But before this need can be fulfilled, we must learn with Mill that we can never have great minds "in a country where the test of a great mind is in agreeing in the opinions of small minds." ◈

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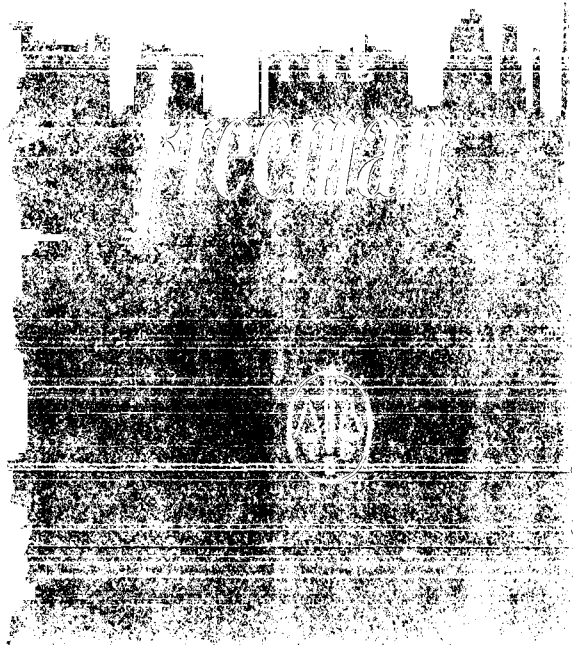

A STANDARD

If, to please the people, we offer what we ourselves disapprove, how can we afterwards defend our work? Let us raise a standard to which the wise and honest can repair. The event is in the hand of God.

Attributed to GEORGE WASHINGTON
during the Constitutional Convention

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